

HOUSING ELEMENT

of the

GENERAL PLAN

of the

CITY OF REDDING

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING AMENDING
THE GENERAL PLAN OF THE CITY OF REDDING BY ADOPTING A REVISED
HOUSING ELEMENT.

WHEREAS, following the required public hearings therefor, the Planning Commission of the City of Redding has recommended to the City Council that the Housing Element of the City's General Plan be amended by adopting a revised Housing Element; and

WHEREAS, following the required notices in accordance with law, the City Council has held a public hearing on said recommendations and has carefully considered the evidence at said hearing; and

WHEREAS, it is believed that the revised Housing Element is in compliance with State Housing Element Law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redding as follows:

1. The City Council has reviewed and approved the Negative Declaration on the plan, finding that there was no significant impact on the environment.

2. The City Council does hereby delete the existing Housing Element of the General Plan of the City of Redding and adopt the revised Housing Element, as shown in Exhibit "A" attached hereto.

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a regular meeting of the City Council of the City of Redding on the 15th day of September 1992, and was duly adopted at said meeting by the following vote:

AYES:	COUNCIL MEMBERS:	Anderson, Dahl, Kehoe and Moss
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	Arness
ABSTAIN:	COUNCIL MEMBERS:	None

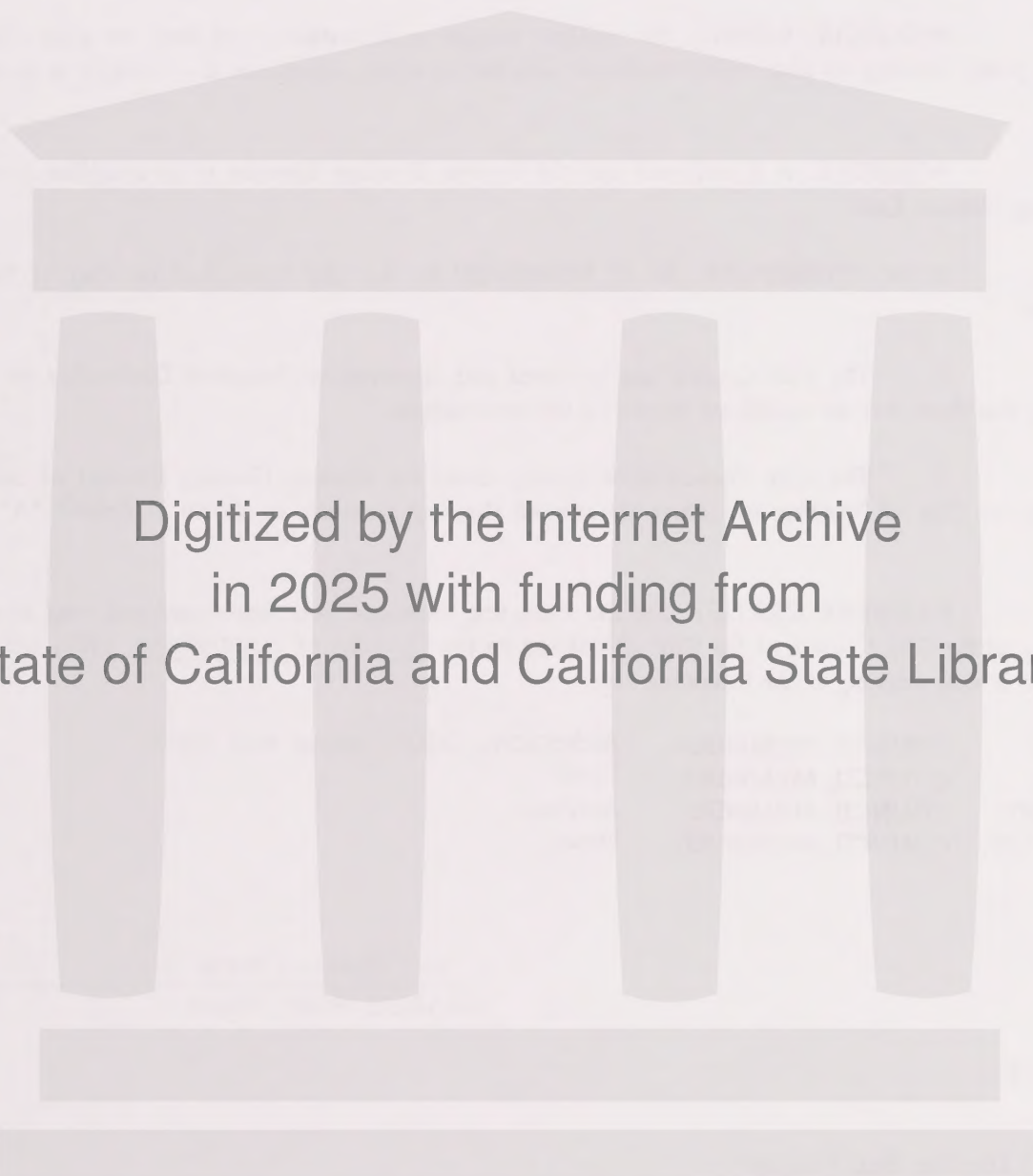
/s/ Charlie Moss
CHARLIE MOSS, Mayor

ATTEST:

/s/ Connie Strohmayer
CONNIE STROHMAYER, City Clerk

FORM APPROVED:

/s/ Randall A. Hays
RANDALL A. HAYS, City Attorney



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I. INTRODUCTION

The purpose of the Housing Element of the Redding General Plan is to identify and analyze the City's housing needs; to establish reasonable housing goals and objectives based on those needs; and to develop a program of action, which, over the stated planning period, will advance the City towards achieving the established goals and objectives.

A. Legislative Authority

The State Legislature has determined that the availability of housing is of vital importance to the well being of the State's populace and has mandated the preparation of community housing elements as part of local general plans (Government Code Sections 65302(c) and 65580 et seq.). Under current law, the code specifies, in brief, that the Housing Element shall contain:

1. An assessment of local housing needs and an inventory of resources and constraints relevant to the meeting of these needs;
2. A statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing; and,
3. A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

Current State Housing Element Law, as contained in Article 10.6 of the State Government Code, mandates that a community's housing element be updated as needed, or at no less than five-year increments.

As a result of recent legislation, the Housing Element must now contain several new sections including an analysis of the area's assisted housing developments which are eligible to convert to non-low-income use in the next ten years. The sections must be included in the Housing Element by July 1, 1992. The current update of the Housing Element was undertaken to comply with that requirement, as well as to update to the extent possible, the statistics contained in the Element utilizing available 1990 Census data.

B. Consistency With Other Elements of the General Plan

By law (Government Code 65300.5), the goals and policies of the Housing Element must be consistent with other Elements of the General Plan. The current Elements of the Redding General Plan (Land Use, Housing, Recreation, Open Space & Conservation, Circulation, Noise, Safety, Seismic, and Scenic Route) are internally consistent regarding stated goals and policies. Internal consistency between Elements will be monitored and maintained as part of the review process at such time any of the various individual Elements are updated or otherwise revised. The goals, policies, and objectives of this update to the Housing Element are reflective of the goals and policies contained in the other Elements of the Redding General Plan.

C. Community Participation

Community input was solicited at several stages during the drafting of the Housing Element Revision. During the fall of 1991, a series of public forums were scheduled to invite public input on a variety of community issues. One of the meetings was specifically targeted to community housing needs. A wide range of community housing and supportive service providers attended and gave testimony regarding local housing needs. These organizations included the Senior Legal Center, the Development Disabilities Board, Far Northern Regional Center, the Shasta County Housing Authority, the Shasta County Community Action Agency, Positive Parenting, Inc. (advocates for single parent households), People of Progress, the Shasta Housing Development Corporation, Northern Valley Catholic Social Services, Independent Living Skills Transition, Inc., Southeast Asian Christian Ministry, Legal Services of Northern California, Golden Umbrella, Stillwater Learning Center, Shasta County Mental Health Advisory Board, the Sierra Club, and The Salvation Army. Information received at that meeting and through subsequent discussions with these service providers form the basis of the special needs group's statements of housing needs expressed in this document and contributed to the formulation of the City's housing objectives for the upcoming planning period.

The housing goals, policies, and quantified objectives expressed in the Element are the product of both the oral and written testimony received at the public forum meeting, additional information provided by local housing advocates, statistical analysis conducted by City staff regarding comparative need, and a projection of what realistically can be expected to be achieved over the five-year planning period, given the constraints of funding and staffing.

The availability of the draft Element was announced in the local newspaper during February 1992. In addition, the draft was circulated in the community and comments solicited regarding its content. A second draft was formulated utilizing information received during the review period both from the public and from HCD during their first review. Following a second HCD review, a third draft was made available for public review and comment during August 1992.

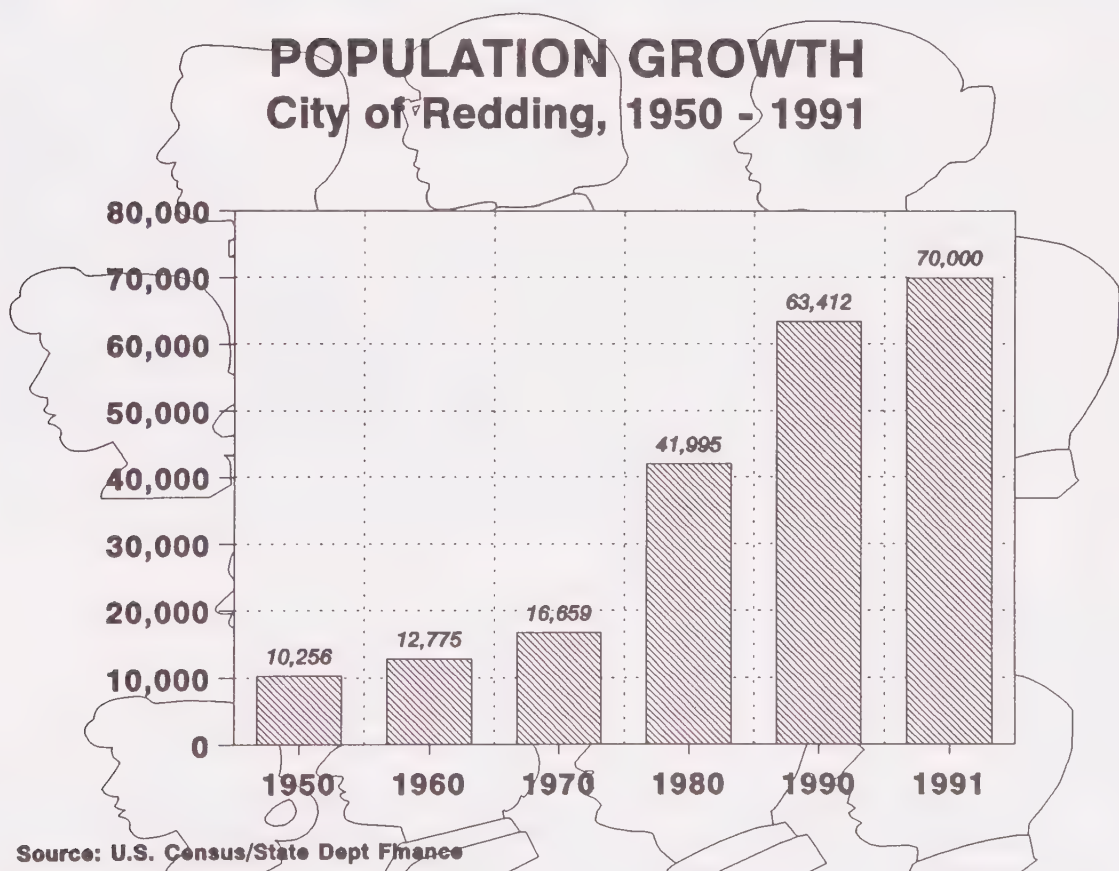
Public participation is also encouraged during a series of public hearings. A public hearing was held by the Redding Planning Commission on the draft in February 1992. A second Planning Commission public hearing is scheduled for late August 1992. Subsequent to Planning Commission action and recommendations to City Council, further public hearings will be held at the City Council level. Once the public hearings and related reviews are completed, the City Council will formally adopt the Element.

II. COMMUNITY PROFILE

A. Historic and Current Population Profile

The 1970 Census established the Redding population at 16,659. The 1980 Census recorded 41,995 persons, an annual average population growth rate of over 15 percent. The 1990 Census reported a population of 66,462 (or 26,105 households), an increase of over 58 percent since 1980. In the period since the 1980 Census, the California Department of Finance has developed annual population estimates for California counties and cities. The most recent Department of Finance population estimate for the City of Redding is 69,971 as of January 1991 (or 27,335 households). This figure implies an average growth rate of 6 percent each year since 1980. Figure 1 shows Redding's population for the period 1950 - 1991.

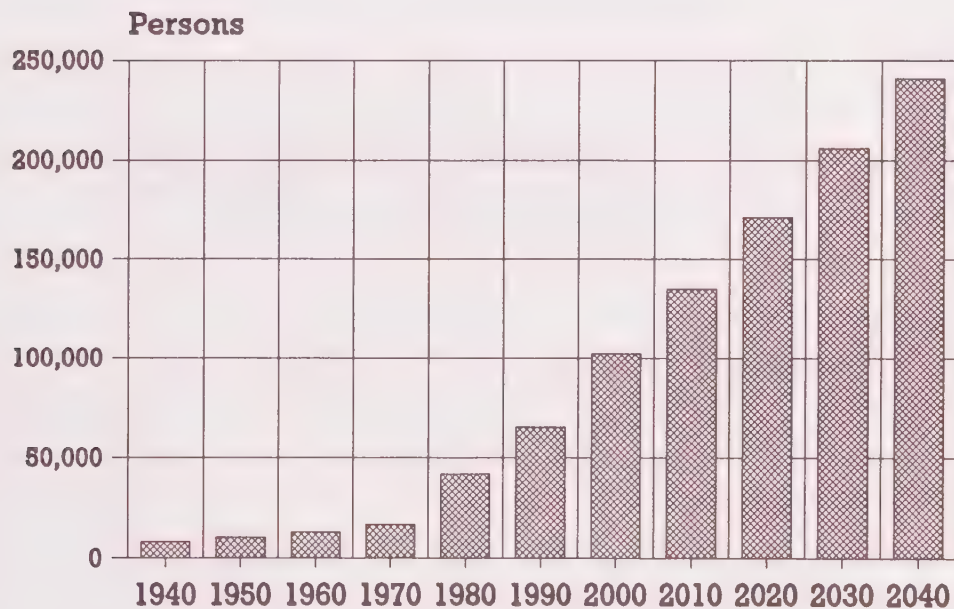
Figure 1



A study conducted in April 1991 by The Economic Sciences Corporation projected the population of Redding to the year 2011. The projection included numerous factors which could effect the population growth, such as, fertility, mortality, in-migration, annexations, etc. Assuming all factors remain predictable, Redding's population is projected to nearly double (to 138,197) by the year 2011, or an anticipated annual growth rate of 9.75 percent for the next ten years. Figure 2 illustrates the conclusions of this study.

Figure 2

City of Redding Population Forecast to Year 2040



Source: Economic Sciences Corp. (4/91)

B. Income and Ethnicity

Current income figures provided by the U.S. Department of Housing and Urban Development through the State Department of Housing and Community Development, indicated that as of April 1991 the median household income in the City of Redding was \$31,400 for a family of four. In comparison, the statewide median income for a family of four as of June 1991 was \$49,105.

An area's population is further broken down by income levels. The standard terminology used for these various income levels is very low-, low-, moderate-, and above moderate-income. These terms are used to describe relative income ranges tied to the median income of all households within a given community. Thus, "very-low income" means below 50 percent of the median income; "low-income," between 51 and 80 percent; and "moderate-income," between 81 and 120 percent (for Federal programs, between 81 and 95 percent of median). "Above moderate-income" is generally 121 percent and above (Federal programs, 96 percent and above). The term "lower income," includes both "low-income" and "very-low income"; or all households that do not exceed 80 percent of median household income.

The 1980 Census indicated that approximately 23 percent of Redding's households were in the very-low income category, 9.5 percent in the low-income category, and 30 percent in the moderate-income category. Income statistics from the 1990 Census are not yet available. In October 1991, the State Department of Housing and Community Development published household income projections for Redding based upon 1980 income data relative to the actual county median income adjusted by family size. According to these figures, in Redding as of January 1, 1991, 6,014 households (22% of all households) were very-low income, 5,193 households (19%) were low-income, 5,467 (20%) were moderate-income, and 10,661 (39%) were above moderate-income.

1990 Census figures indicate that minorities constitute 10 percent Redding's population. Of these minorities, 4 percent were of Hispanic descent, 3 percent were Asian, 2 percent were American Indian, and 1 percent were Black.

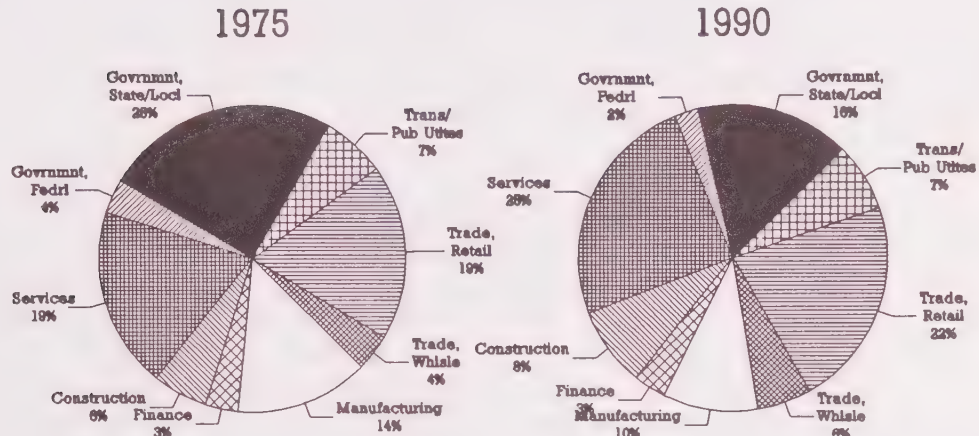
There exists a higher proportion of lower-income families among these minority groups than in the population at large. In 1980, 58 percent of minority households had incomes at or below 80 percent of the median income. Among the general population in 1980, only 32 percent of households were considered lower income. Minority families along with all lower income households of the community face common problems and hardships in regard to meeting their housing needs.

C. Historic and Current Employment Trends

The unemployment rate for the Shasta County Labor Market Statistical Area which includes the City of Redding, is on the rise. In 1988 and 1989, the area's annual average unemployment rate was 9%. Today, the actual average unemployment rate for the first ten months of 1991 is up to 10.8%. According to the State Employment Development Department in Redding, it is likely that the annual average will reach 12% by the close of the year. In comparison, the State unemployment rate was 5.3% in 1988, 5.1% in 1989, and 5.6% in 1990. The State Employment Development Department lists the State's actual average unemployment rate for the first seven months of 1991 as 7.5%.

Figure 3

NONAGRICULTURAL EMPLOYMENT BY INDUSTRY Shasta County, 1975 and 1990



Source: State of California, 1990

Figure 3 illustrates the percentage of the area's population engaged in nonagricultural wage and salary employment by industry group for 1975 and 1990. The figures were derived from data collected by the State Employment Development Department through December 1990. Redding's current employment opportunities are the greatest in the lower-paying industries; that is service industries associated with tourism and business services, and the wholesale and retail trade industry. In addition to paying lower overall wages, service and/or retail industries typically have a higher percentage of persons working part-time or seasonally than do other types of industries.

The availability of permanent, secure employment paying a decent wage is a critical factor in the ability of an area's population to secure housing. Conversely, an area's ability to attract new industry and increased job opportunities for its residents is directly related to the ready availability of decent, affordable housing in the community.

D. Historic and Current Housing Profile

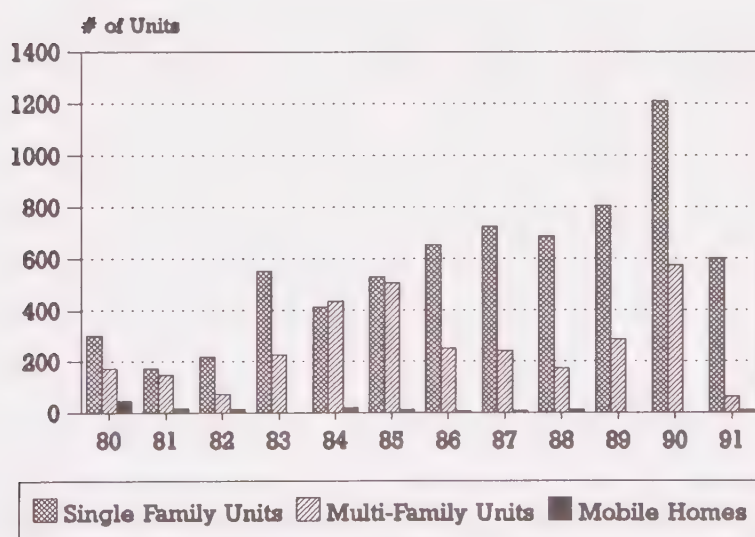
In 1980, the Census recorded 17,932 housing units in Redding. According to the 1990 Census, in April 1990 there were 27,238 housing units within the City of Redding. The State Department of Finance has estimated the total number of dwelling units within the City of Redding as of January 1991 to be 28,285, an increase of 57 percent in available housing units over the past 11 years.

The increase in the number of available housing units is a result of two activities: annexations and new construction. It is estimated that approximately 850 units have been added to the City's housing stock through annexation since 1980.

New construction is responsible for 92 percent of the overall increase in available housing stock. Redding has experienced a decade of steady activity in the construction industry. According to figures compiled by the City of Redding Building Department, 10,176 new housing units have been constructed from January 1980 through December 1991. Of the total units constructed, 6,875 (67.5 percent) were single family homes, 3,155 (31 percent) were multi-family units, and 146 (1.4 percent) were mobile homes. Figure 4 illustrates the number of units constructed by type between 1980 - 1991.

Figure 4

DWELLING UNIT CONSTRUCTION, By Type City of Redding, 1980 - 1991



Source: Building Dept.

E. Type, Age and Characteristics of Housing Stock

As reported in the 1980 Census, Redding has 10,904 housing units which were built prior to 1970. These 20+ year old structures comprise 40 percent of Redding's housing stock, followed by 30+ year old structures (25 percent of Redding's dwelling units), and 40+ year old housing structures (about 12 percent of available housing in Redding). Overall, 60 percent of Redding's available housing stock is less than 20 years old.

There exists a correlation between the age of a community's housing stock and the relative condition of that housing stock. The 1990 Census figures for this category are not available. In 1980, Redding had approximately 35 percent of its housing stock classified as substandard. Approximately 93 percent of these units were considered suitable for rehabilitation. The remainder, due primarily to the extreme condition of disrepair, were determined unsuitable for rehabilitation. Typically, dwelling units over 20 years of age are the most likely to need both moderate and major rehabilitation work to elevate them to a "standard" condition. It is unlikely that units constructed in the past 20 years would require other than minimum level rehabilitation.

F. Condition

The City's Housing Assistance Plan (HAP) for 1989 through 1991 estimated the number of substandard units in the City in 1988 to be 5,184 (approximately 21% of the housing stock). The estimate is based upon information from the 1976 Survey of Housing Conditions in the City of Redding performed by the U.S. Census Bureau, the 1980 Census, as well as housing conditions information provided by City Housing Department staff. The most recent California Statewide Housing Update published by the State Department of Housing and Community Development in October 1990 also estimates that as of 1988, 21% of the City's housing stock was substandard.

Current City rehabilitation programs are available Citywide and staff monitors conditions present in all neighborhoods on a regular basis. Of all occupied substandard units, it is estimated that 51% are occupied by lower-income households.

Housing units are considered substandard if they meet the following definition: Those buildings which exhibit one or more critical structural, plumbing, and/or electrical deficiency or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. Units are also considered substandard if they do not provide safe and adequate shelter or endanger the health, safety, or well-being of the occupants.

Substandard housing units are further classified into those that are suitable for rehabilitation and those which are not suitable for rehabilitation. The following definition of "suitable for rehabilitation" is used: Those buildings which exhibit one or more of the deficiencies listed under the above definition of substandard, all of which can be repaired in conformity with current codes and ordinances for a sum not to exceed the value of the building. Buildings are considered "not suitable for rehabilitation" when the cost of the needed repairs would exceed the value of the structure. As property values escalate, some buildings previously determined "unsuitable for rehabilitation" become "suitable for rehabilitation." This crossover is estimated to include approximately 30% of the previously unsuitable for rehabilitation housing stock reported in the 1976 survey.

In the past 15 years, 1,112 substandard units have been rehabilitated utilizing City programs. It is estimated that approximately 180 units per year are privately rehabilitated or 2,700 units since 1976. These 180 annual private rehabilitations are accounted for by private owners completing actions such as replacing a leaking roof, repairing aging plumbing, or replacing broken windows. All of these conditions, prior to repair, would classify a unit in violation of HUD Section 8 Housing Quality Standards. Landlords participating on the Section 8 rent subsidy program or desiring to participate are required to bring units up to a basic standard of condition. Typically, unless an owner is participating on the Rental Rehabilitation Program, the rehabilitation is completed at the owner's expense and therefor counted under "substandard units rehabilitated privately." Roughly 2,600 units (9.5% of the current housing stock) remain in a substandard condition which could be alleviated by rehabilitation.

Of the 523 substandard units reported in 1976 as not suitable for rehabilitation, it is estimated that 272 have been demolished and approximately 191 have been included in rehabilitation activities. As described above, as housing prices increase, it becomes financially feasible to rehab these buildings rather than tear down. Approximately 60 of these substandard units remain standing in 1991 (less than .2% of the existing housing stock).

G. Vacancy Rates

According to the 1990 Census, Redding's vacancy rate for all types of dwelling units available for sale or rent is 2.1 percent. The vacancy rate for all types of owner-occupied dwelling units was reported to be approximately 1.5 percent, for rental units alone the reported vacancy rate was approximately 3 percent.

This level of vacancy is generally indicative of an under-built market. Vacancy rates, as an indicator of market conditions, typically run a fine line between an over-built market (typically considered above 7 percent vacancy) and an under-built market (generally anything under 3 percent). In a healthy market, there should be some number of vacant units in all sizes, locations, and price ranges. Typically, in the type of market present in Redding, the choice of units available would be fairly limited for households seeking new residences. In order to fully analyze the effect of vacancies upon a specific housing market, it is necessary to delve deeper into vacancy by type, location, price range, and size of unit. There could exist a surplus of units at one level and a scarcity at another which when averaged together indicate a vacancy rate indicative of neither. There is no information currently available which compares variation in the vacancy rate based on price of unit or size of unit in the Redding area.

Based upon information gathered from its clients in their search for rental housing in the Redding area, the Redding Housing Authority has indicated that the local rental market is extremely tight for all unit sizes in an affordable price range. Further, affordable three+ bedroom units are virtually nonexistent for lower-income families. Approximately 24 percent of the households currently on the Housing Authority waiting list qualify by family size for units of this size.

According to City of Redding Building Department records, of the 577 multi-family units built during the 20 month period May 1990 through December 1991, only 12 percent (69) were constructed with 3+ bedrooms. Larger, low-income families have little or no choice of suitable units.

H. Low-Income Assisted Housing

As of January 1992, 937 very low-income households within the City of Redding were receiving government assisted housing subsidies administered through the Redding Housing Authority. These subsidies, as illustrated by Figure 5, are in four program categories: (1) State Aftercare Subsidies; (2) HUD Section 8 Vouchers; (3) HUD Section 8 Moderate Rehabilitation Subsidies; and (4) HUD Section 8 Existing Certificates.

Assisted units are scattered throughout the City with the highest concentration in neighborhoods with lower priced multi-unit complexes available. Another 419 site-specific HUD rental subsidies are available for use at seven multifamily rental complexes in Redding which utilized HUD 202, 231, or 236 financing assistance. These complexes are Redding Pilgrim House, Butte House, Cottonwood House, Downtown Plaza Apartments, Heritage Plaza, Redding Gardens, and Kutras Gardens. Of the available subsidies, 89 are reserved for seniors, 12 for disabled individuals, 48 for either seniors or disabled, and 270 for families.

GROWTH IN HOUSING AUTHORITY PROGRAMS 1979 - 1991

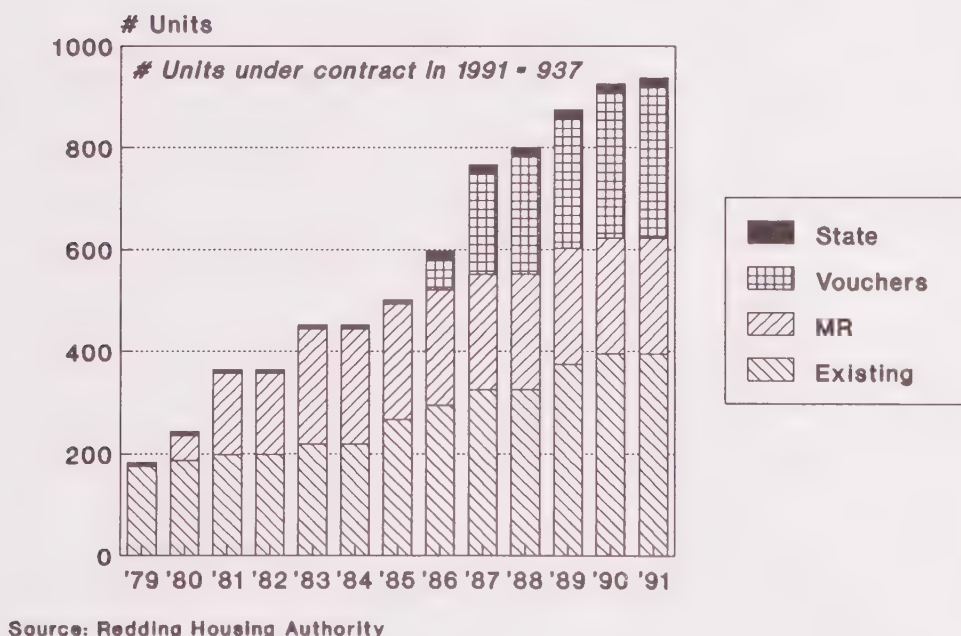


Figure 5

The Redding Housing Authority reports that over 2,138 families are currently on it's waiting list for subsidized housing. HUD requires that subsidies be awarded based upon a priority system. The criteria used to determine the current top priority for assistance are: homeless; paying in excess of 50% of

the family's income towards rent and utilities; living in a substandard unit; victims of domestic violence, or forced to move due to natural disaster or government action. In addition, priority within this group is given to City of Redding residents and veterans. The Redding Housing Authority estimates that the average wait on the list for a very-low income family that meets top priority criteria and is a City of Redding resident is typically two to four years. For very-low income families that do not meet top priority criteria the wait can be as long as three to five years.

As discussed in the previous section on income, approximately 22 percent (6,014 households) in Redding are considered very-low income and potentially eligible for subsidized housing assistance. These figures indicate a huge chasm between the assistance available and the number of households likely to need assistance.

I. Affordable Housing Units Eligible to Convert to Open Market During 1992 - 2002

Recent changes to the State Government Code require that a community's Housing Element contain analysis and program efforts for preserving assisted housing developments in the community which are eligible to convert to non-low-income use during the next ten-year period. The purpose of the analysis is to identify actions the jurisdiction can take to preserve at-risk units, to adequately plan for preventing or minimizing tenant displacement, and to preserve the local affordable housing stock.

The ten-year period which is covered by this analysis is July 1992 through June 2002. To make the analysis useful to the five-year housing element updates, the inventory is divided into two five-year groups, coinciding with the planning periods of the Housing Element.

State law requires that the inventory include all multifamily rental units which are assisted under any of the programs listed below and which are eligible to change to non-low-income housing uses due to termination of a subsidy contract, mortgage prepayment, or expiring use restrictions within ten years of the statutory adoption "due-date" of the housing element amendment. For this amendment, the statutory adoption "due-date" is July 1992. The affected programs are:

1. HUD Programs:
 - Section 8 Lower-Income Rental Assistance project-based programs:
 - New Construction *
 - Substantial or Moderate Rehabilitation
 - Property Disposition *
 - Loan Management Set-Aside
 - Section 101 Rent Supplements *
 - Section 213 Cooperative Housing Insurance *
 - Section 221(d)(3) Below-Market-Interest-Rate Mortgage Insurance Program
 - Section 236 Interest Reduction Payment Program
 - Section 202 Direct Loans for Elderly or Handicapped
 - Community Development Block Grant Program *

2. FmHA Section 515 Rural Rental Housing Loans*
3. State and local multi-family revenue bond programs*
4. Redevelopment programs*
5. Local in-lieu fee programs or inclusionary programs*
6. Developments which obtained a density bonus and direct government assistance pursuant to Government Code Section 65916.*

All categories marked with an asterisk (*) do not have units in the community which are considered at-risk during the subject ten-year period.

Table 1 illustrates the projects which contain affordable units in the community which are considered at risk in the City of Redding during the subject ten-year period.

TABLE 1

INVENTORY OF LOW-INCOME RENTAL UNITS IN THE CITY OF REDDING SUBJECT TO TERMINATION OF FEDERAL MORTGAGE AND/OR RENT SUBSIDIES BY JULY 2002			
July 1992 - June 1997			
PROJECT NAME	TYPE OF PROGRAM	TOTAL # UNITS	EARLIEST DATE OF TERMINATION
Moderate Rehabilitation Increment 1	Section 8	48 (18 elderly) (All subsidized)	3/31/97
Redding Gardens Cooperative 301 South Street Redding	221(d)(3) Section 8	120 (48 subsidized)	Subsidies: 11/03/96 Mortgage: 01/17/14
Downtown Plaza Apartments 1075 Trinity Street Redding	236(J)(1)	90 (No subsidies)	Eligible LIHPRHA Property Mortgage: 12/19/91
July 1997 - June 2002			
PROJECT NAME	TYPE OF PROGRAM	TOTAL # UNITS	EARLIEST DATE OF TERMINATION
Moderate Rehabilitation Increment 2	Section 8	60 (All subsidized)	12/31/97
Moderate Rehabilitation Increment 3	Section 8	51 (All subsidized)	9/30/98
Moderate Rehabilitation Increment 4	Section 8	20 (5 elderly) (All subsidized)	6/30/99
Moderate Rehabilitation Increment 5	Section 8	48 (18 elderly) (All subsidized)	9/30/00
Kutras Gardens 540 South Street Redding	231 Elderly Section 8	84 (all elderly) (40 subsidized)	Subsidies: 07/05/97 Mortgage: 06/30/17

The listed at-risk units are subject to a variety of different regulatory requirements which determine the actual likelihood of loss of the affordable units. These are discussed in detail in the following narrative.

July 1992 - June 1997

During the first five-year period three separate programs are involved: the Moderate Rehabilitation Program with Section 8 project based subsidies, the Section 221(d)(3) Market Rate Interest Program with Section 8 project-based subsidies, and the Section 236 Program with mortgage-based subsidies.

The first allocation of 48 Section 8 rental subsidies under the Moderate Rehabilitation Program is scheduled for expiration of benefits on March 31, 1997. These subsidies carry an original term of 15 years which is now drawing to a close. Five (5) of the original subsidies have already been converted to the non-project-based variety due to default by the owner on the Moderate Rehabilitation contract. Seven (7) of the remaining 43 are attached to single-family homes currently used as rental units and the remaining 36 are attached to a variety of multifamily units. The majority of the units under this program are older and while they continue to meet minimum housing standards required on the Section 8 program, many are in need of additional rehabilitation work. It is impossible to predict whether or not federal extensions will be offered in 1997 for these subsidies. In the past, as other program allocations came to an end, HUD has replaced the lost subsidies with new ones. This may be the case in 1997.

If no further extensions are available from HUD, the Redding Housing Authority is has identified several options which would mitigate the loss to the community of these affordable units. These include negotiating with the owner for sustained affordability of the units in exchange for rehabilitation assistance, offering non-project-based subsidies as available to the affected families for use elsewhere, and replacement of the converted units through development of new affordable units.

Section 221(d)(3) and Section 236 projects are subject to the provisions of the Low-Income Housing Preservation and Resident Homeownership Act (Title VI of the National Affordable Housing Act of 1990) - LIHPRHA. The objective of LIHPRHA is the extension of low-income use restrictions while offering owners alternative means of realizing a reasonable return on their investment. These alternatives involve either continuing ownership with additional federal incentives, or selling the property, with a first-right-of-refusal process for interested nonprofit and public entities. A prepayment option releasing use restrictions is available only if criteria establishing no need in the community for the low-income housing can be met; or if the provisions for one of the above alternatives do not work out. In order to be considered for LIHPRHA options, an owner of an eligible project must file a "Notice of Intent" to initiate the federal application process. As of May 26, 1992, no eligible project owners in Redding have filed a Notice of Intent to change or terminate any project's affordability controls.

According to State Housing and Community Development staff, *Redding Gardens Cooperative* is not likely to be eligible for mortgage prepayment under LIHPRHA due to its cooperative ownership structure. The primary risk for these units is the potential loss of 48 project-based subsidies in late 1996. In the past, this project has received subsidy renewals every five (5) years. This could occur again in 1996. Subsidy renewal is dependent upon many

unpredictable factors including the condition of the federal budget in 1996, the political climate in 1996 for continued extension of this type of program, and the desires of the residents of the project in 1996. If loss of the subsidies is unavoidable, this project represents a unique situation. Because of the cooperative ownership structure, replacement of the lost subsidies with non-project-based Section 8 subsidies would not be possible. All residents of the cooperative are co-owners of the complex and as such might agree to draw on the existing equity in the complex to "self-subsidize" those residents that need it. An arrangement such as this would be similar to a "reverse mortgage" agreement.

The Downtown Plaza Apartments project became eligible in December 1991 to file a Notice of Intent to change or terminate the project's affordability controls under LIHPRHA. Currently, the project's Section 236 financing has 20 more years remaining under the original terms. Without owner action, these affordability controls will remain in place. It is difficult to predict what will happen in the future. If the owner decides to exercise his/her prerogative under LIHPRHA and initiate the reevaluation process, a Notice of Intent would need to be filed. At that time, if a new satisfactory arrangement could not be made between the current owner and the Federal government, then the property would be offered to entities which have indicated an interest in acquiring and sustaining affordable housing projects in the Redding area if any become available. To date, four separate entities have expressed interest under this first-right-of-refusal option. These include the Redding Housing Authority, the Shasta Housing Development Corporation, as well as two housing development organizations from outside the area. In order to assure continued affordability of the units, acquisition by any of these entities would very likely require continued rental assistance by HUD or a deep subsidy from federal, state, or local sources applied towards the acquisition costs. The availability of funds for this purpose is not known at this time.

The City, through the Redding Housing Authority, will monitor the status of the Downtown Plaza Apartments project and other at risk projects over the next five years. If an owner initiates the reevaluation process, the City will request HUD to notify the City of any pending change in status. The RHA will advise the tenants of the particular project of all possible options available to them in the case of loss of affordability controls.

Five-Year Summary:

- Potential loss of 96 subsidies, of which 18 are designated for the elderly.
- Potential loss of 174 affordable multi-family units.

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During the second five-year period there are two different programs which are involved: the Moderate Rehabilitation Program with Section 8 project-based subsidies; and the Section 231 Elderly Program.

The second five-year period will see the possible loss of the balance of Moderate Rehabilitation Section 8 subsidies in the community. Increments 2-5 totaling 179 subsidies all expire during this period. As was discussed for the first increment during the previous five-year period, it is possible that HUD may extend these subsidies as it has in the past for other programs. If this does not happen, the Redding Housing Authority has identified the following mitigating measures: offering non-project-based subsidies, as available, to the affected families to be used in a location of their choice; negotiating continued affordability with the owners in exchange for other non-subsidy program assistance such as rehabilitation; attempting to acquire the units or aiding a non-profit housing entity to acquire the units in return for continued affordability; and replacement of the units through support of new affordable housing development. The affected units are typically older and many are in need of rehabilitation work. Of the 179 subsidies, four (4) have already been replaced with non-project-based subsidies due to default by the owners of the Moderate Rehabilitation contract requirements. Of the remaining 175 subsidies, 30 are attached to single-family homes being used as rental units and 145 are connected to a variety of multi-family structures.

The *Kutras Gardens* project consists of 84 affordable units occupied by elderly low-income households and financed through the Section 231 program. This project also has 40 Section 8 project-based subsidies. The terms of the Section 231 program locks the project into low-income use restrictions for the full mortgage term and therefore this project does not have a mortgage prepayment option. The existing mortgage runs through 2017. The risk on this project is the loss of the Section 8 subsidies which expire on July 5, 1997. In the past, the subsidies have been renewed every five (5) years. Technically, the project's owner could opt not to petition for HUD renewal of the subsidies in July 1992, however, due to the Section 231 affordability requirements this is not very probable. In 1997 though, the subsidies reach their expiration date. As stated above for other projects with expiring Section 8 subsidies, future Federal appropriations for HUD may be sufficient to extend these subsidies once again. If that does not happen, options for preserving the affordability of these units for the very-low income elderly households residing there include replacing the expiring subsidies with non-project-based subsidies, negotiating with the owner for continued affordability in exchange for rehabilitation funds, and development of comparable affordable units.

Five-Year Summary:

- Potential loss of 215 subsidies, of which 63 are designated for the elderly.
- Potential loss of 145 affordable multi-family units, 23 of which are elderly units.

Cost Analysis of Preserving Versus Replacing At-Risk Units

According to Section 65583(a)(8)(B) of Housing Element Law, the cost of producing new rental housing comparable in size and rent levels to replace the "at risk" units and the cost of preserving all of the units for each five year period, must be included in the Housing Element.

General development costs for multifamily projects are discussed in detail in Sections V & VI. Based upon an average construction cost for multifamily units of \$55 per square foot, an average land cost of \$8,000 per unit, and average per unit development fees of \$6,600, each 900 square foot multifamily unit would cost approximately \$64,100 to replace. The estimated cost to replace the 174 "at risk" units during the first five-year period is \$11,153,400. To replace the 145 "at risk" units during the second five-year period would cost approximately \$9,294,500.

As stated previously, many of the units at risk over the ten-year period are older and in need of rehabilitation work. Recent appreciation experienced in the local housing market has greatly increased the value of these older units. Projected acquisition costs must include the cost of any rehabilitation work necessary to bring the units up to a standard level. Basic acquisition cost for units of comparable age and condition would be approximately \$70,000 to \$90,000 for a duplex, \$90,000 to \$140,000 for a triplex, etc. The rehabilitation staff with the City's Housing Division, drawing from seven years of experience with the Rental Rehabilitation Program estimates that the average per unit rehabilitation cost for units of comparable size, age, and condition is approximately \$12,000. Using an average acquisition cost of \$30,000 per multifamily unit and an average rehabilitation cost of \$12,000 per unit, the cost of acquiring and preserving the 174 "at risk" units during the first five year period is approximately \$7,308,000, and approximately \$6,090,000 for the 145 "at risk" units during the second five-year period.

The cost of keeping the rents at an affordable level for units which have been either acquired or newly constructed is dependent upon the type of financing used to purchase or construct the units. Market-rate financing would require a much larger monthly revenue stream to cover the higher cost of the financing. It is likely that revenues from affordable rents would not be sufficient to cover the cost of debt service on the units. A substantial part of either construction or acquisition cost would need to be underwritten by some form of deep subsidy. A full proforma on each individual project would be necessary to arrive at more than a broad estimate of costs involved. The following rent subsidy cost estimate is based upon the difference between the maximum affordable rent that a very-low income family likely to occupy a particular sized unit could pay and the current average market rate rent for a similar unit. During the first five year period, the 174 "at risk" units are comprised of approximately 20 studio units, 114 1-bedroom units, 35 2-bedroom units, and 5 3-bedroom units. Using the formula as described above, the estimated annual subsidy necessary to keep the units affordable to very-low income households is \$413,400. During the second five year period, the 145 "at risk" units are comprised of approximately 33 1-bedroom units, 68 2-bedroom units, 43 3-bedroom units, and 1 4-bedroom unit. The estimated annual subsidy cost necessary to keep them affordable for very-low income households is \$617,040.

Resources for Preservation

As stated previously, four separate entities have expressed interest in being notified under the first right of refusal option if affordable housing projects become available in the Redding area. These include the Redding Housing Authority, the Shasta Housing Development Corporation, as well as two housing development organizations from outside the area. In addition, the newly formed Redding Housing Development Corporation, as well as Northern Valley Catholic Social Services (local non-profit housing service providers) have the ability to acquire and manage assisted housing projects. In order to assure continued affordability of the units, acquisition by any of these entities would very likely require continued rental assistance by HUD or a deep subsidy from Federal, state, or local sources applied towards the acquisition costs.

It is unlikely that sufficient local funding sources will be available to fully subsidize acquisition, rehabilitation, or development of new affordable units to replace those at risk of being lost over the upcoming ten year period. Over the past five years, the City of Redding has received approximately \$450,000 a year in Community Development Block Grant (CDBG) funds from HUD, (Programs 5.4 & 5.5). CDBG funds for FY 92 - 93 and 93 - 94 have already been committed to specific projects and would be unavailable for use elsewhere. Over the remaining eight years, assuming the City continues to receive funding at its current level, the City might receive approximately \$3,600,000 in additional CDBG funds. These funds are allocated through a highly competitive process and have historically been utilized for a variety of community projects, including housing.

The Redding Redevelopment Agency generated approximately \$436,000 in its Low/Moderate Income Housing Fund (Program 2.8) during FY 90-91. This fund is utilized locally in a variety of ways to improve the housing opportunities for the area's lower-income households. FY 92 - 93 LMIHF funds have been committed and would be unavailable for use elsewhere. Over the remaining nine years, approximately \$7 million will be available for this purpose.

The Redding Housing Authority administers approximately 937 rental subsidies for which it receives administrative fees. During FY 90 - 91, the RHA received approximately \$424,000 in administrative fees. These fees are utilized by the Housing Authority to cover the cost of administering the Section 8 rental assistance program in the community and are not available for use elsewhere. Over the next 10 years, it is anticipated that approximately \$4.2 million will be received through this source.

Several new construction programs funded through the state and federal government are currently available for affordable housing projects. These offer money at reduced interest rates or on a grant basis in exchange for affordability of units. In addition, various mortgage bond programs and Federal tax credits might be accessed to enhance a project's affordability. These programs are discussed in Section IX, Programs 2.4, 2.5, 2.9, and 4.1. Another avenue for reducing the cost of development is the use of the local Density Bonus Program (Program 2.1).

In summary, creative projects, whether acquisition or new development, which combine a variety of local, State, Federal and private dollars have a greater likelihood of success in the current housing market. The City is committed to working towards enhanced housing affordability for the community's lower income households, and, as it has in the past, will utilize its housing funds such as the redevelopment low-income housing set-aside, its Community Development Block Grant, as well as HOME funds towards that end.

III. HOUSING NEEDS ASSESSMENT

State housing element law requires that a community analyze both its existing housing needs, as well as its projected housing needs for the required planning period. Such existing and projected needs analysis must include consideration of the locality's share of the regional housing need as provided by the local Council of Government or, in Redding's case, as provided by the State Department of Housing and Community Development.

In order to meet required State housing element conditions and create a useable, accurate, planning document, this section relies to a large extent upon expert community resources, particularly in the determination of housing need among the required special needs groups.

This chapter includes an analysis of current local housing market characteristics for both renters and homeowners; an analysis of the special housing needs of the area's population, particularly for the following identified groups: the elderly, the handicapped, large families, families headed by a single-female parent, minorities, and the homeless; and concludes with an analysis of the projected housing needs of the Redding area utilizing our regional housing share figures as provided by HCD, and current vacant land inventory.

A. Housing Characteristics

1. Homeownership/Housing Costs/Ability to Pay

In 1990, the Census reported that 53.5 percent of all households in Redding resided in housing units that they owned. Based on 1991 household figures, this translates into 14,624 owner-occupied households. Census data from 1980 showed that approximately 17% of all homeowners surveyed were overpaying for housing. Among the lower-income homeowners (18% of all homeowners), 39.2% were overpaying for housing. Using 1991 household population figures, this would translate to approximately 2,486 homeowners currently overpaying, out of which approximately 1,031 are lower income. A commonly accepted definition of "affordable" as it relates to housing costs is when a household pays no more than 30 percent of its gross monthly income for housing expenses. For a homeowner, these expenses are principal and interest payments for mortgages, as well as utilities, property taxes, and homeowner's insurance. For a renter, housing expenses include the basic monthly rent plus utility costs. Housing payments totaling more than 30 percent of the household's income constitutes "overpaying."

In Redding, as throughout the country, the dream of homeownership is an integral part of American life. It continues to be a goal for many citizens and historically, has been used as an indicator of status and prosperity. Today, in 1991, the reality of homeownership is beyond the reach of a growing segment of the area's residents. Redding's citizens, while enjoying a substantially lower-priced real estate market than the rest of the State, are finding that the lower wages of the area and the accelerated rate of appreciation in both new and existing homes in the area has closed the market to all but those in the higher income categories.

According to information provided by the Shasta County Board of Realtors, the current median price of a single-family home in the City of Redding is \$110,000 (an increase of 85.8 percent over the 1980 median of \$59,200).

The area's median income, \$31,400, generally indicates an ability to purchase a home with a maximum purchase price three (3) times as great or \$94,200. Current interest rates hover around 9 percent on a 30-year fixed rate mortgage. Indications are that these relatively low interest rates will remain steady or possibly drop slightly over the next several years. In Redding, the minimum annual income necessary to purchase a median priced home (\$110,000), assuming a 10 percent cash downpayment, would be approximately \$33,000 (105 percent over median). Most homes in this price range are resale units. New single-family detached homes currently being built within the City of Redding start at \$120,000.

Homeownership opportunities for households below median income are very limited. In addition to generally being unable to support the level of monthly mortgage payment required, lower-income households have a difficult time accumulating the amount necessary for the required down payment and closing costs.

Table 2 compares Redding's 1991 median home cost and median income with various other communities in the State. It also indicates the level of income necessary to purchase each home.

TABLE 2

1991 California Housing Prices and Median Incomes vs. Redding Housing Prices and Median Incomes			
	1991 Median Income	1991 Median Price*	% of Median Required to Purchase
Redding	\$ 31,400	\$110,000	116% (\$36,700)
California	\$ 49,105	\$199,000	135% (\$66,300)
<u>Selected Regions</u>			
Central Valley (Fresno Co.)	\$ 33,400	\$120,000	120% (\$40,000)
Los Angeles	\$ 42,000	\$222,000	176% (\$74,000)
Sacramento	\$ 39,700	\$136,000	114% (\$45,300)
S. F. Bay Area (S.F. Co.)	\$ 49,900	\$255,000	170% (\$85,000)
San Diego	\$ 41,300	\$181,000	146% (\$60,300)
*Based on closed escrow sales of single-family, detached homes.			
Source: The Kiplinger California Letter, 12/4/91; Shasta County Board of Realtors; California State Department of HCD.			

2. Rentals/Ability to Pay

According to the 1990 Census, 46.5 percent of all occupied housing was classified as renter-occupied. Using 1991 household figures, this means approximately 12,711 households rent rather than own their principal residence.

Median-renter income in 1980 was 55 percent of the median income of owner-occupied households (\$10,919 vs. \$19,678) and 75 percent of the overall area median income. As stated previously, income information from the 1990 Census is not yet available. The 1980 Census reported that approximately 41% of all renter households were overpaying for housing. However, among the lower-income renter households, approximately 74% were overpaying. Lower-income renters make up approximately 47% of all renter households. Using 1991 household figures this means there are approximately 5,974 low-income renter households, out of which 4,421 (74%) are overpaying for housing.

Rental prices in Redding have steadily increased over the past ten years. The 1990 Census reported the median rent paid in Redding to be \$373. According to a survey conducted by the Redding Housing Authority in June 1991 of advertised and available rental units, rent figures ranged from an average of \$370 for one bedroom apartments to an average of \$650 for 3 bedroom houses. Median rent for all sizes and types of rental units surveyed was approximately \$500. It is felt that this is a more accurate representation of current median rent for the community.

Low-income and very low-income households have considerable difficulty in locating affordable housing. Large families at these income levels face the almost impossible task of locating an appropriately sized unit which is also affordable. Even median-income families can afford only the least expensive three-bedroom units. The average priced three-bedroom single-family home is not affordable to the majority of households.

3. Overcrowding

According to the 1990 Census, approximately 4.5 percent of the general population are living in overcrowded conditions. Using 1991 household figures, this translates to approximately 1,230 overcrowded households. An overcrowded household is one in which more than 1.01 persons occupies each room of a dwelling unit. The Census further documents that of the overcrowded households, 82.5 percent (1015 households) are renters and 17.5 percent (215 households) are homeowners. Although no statistics exist which compares this general view of overcrowding with overcrowded conditions among lower-income families, it is generally assumed that most overcrowding occurs because of a household's inability to afford larger living quarters.

Based upon the scarcity of larger (3+ bedrooms) rental units within the City of Redding, it is likely that some larger families are forced to accept smaller units than what would be the ideal for the family size.

According to the Southeast Asian Christian Ministry (a nonprofit organization which provides a variety of services, including housing assistance, to the area's Asian community) many of their clients live in severely overcrowded conditions due to a lack of affordable larger rental units in the City. The Redding Housing Authority reports that a majority of the families on the 4+ bedroom waiting list for subsidies end up renting smaller units due to scarcity of appropriately sized units.

4. Special Housing Needs

Some population subgroups, such as the elderly and handicapped, large families, female-headed households, farm workers, and the homeless have special housing needs which may not be addressed by the conventional housing market. As required by State guidelines, the shelter needs of these special groups are discussed in this section.

a. Elderly

According to the 1990 Census, 23.5 percent of Redding's households are headed by persons 65 years of age and older. Approximately 71.6% are homeowners and 28.3% are renters. Updated by 1991 household estimates, this means in Redding over 6,423 households contain at least one member who is 65+ years of age and of these, over 6,150 households are headed by a person 65+ years of age. Of households headed by an elderly person, 4,403 are homeowners and 1,740 are renters.

The 1980 Census revealed that the income levels of these elderly households was critically low, especially for elderly people living alone. Over 16.9 percent of the single-elderly households were at or below poverty level in 1980, compared to 10.1 percent of households in the general population. Due to the disproportionate number of poverty level households within the elderly population, affordability of housing tops the list of critical housing needs for this group.

Another housing crisis which faces many elderly households is the deterioration of their existing shelter. Homes purchased when incomes were in a higher bracket are now unable to be maintained with a smaller retirement income. Many single-elderly householders find themselves facing the loss of their home due to a financial inability to maintain it.

Elderly households also have a special need for housing accessible to public transportation, community medical facilities, retail centers, and possibly with greater than normal security. This group on the whole is less mobile than the general population and accessibility of the above listed facilities and services is crucial to their ability to reside in any particular location.

Several housing complexes located in Redding were developed specifically for the elderly population. One complex, *Pilgrim House* with 49 units, reserves all of its units for very low-income seniors or handicapped persons, due to requirements of its long-term financing, (the HUD 202 program). Another, *River Oaks Retirement Center*, is obligated to keep 20 percent of its 100 units available to lower-income seniors. This is a condition imposed by the terms of the financing source for the project (Multi-Unit Rental Housing Revenue Bonds issued by the Redding Housing Authority).

b. Handicapped

The special housing needs of the handicapped/disabled population of the area are concentrated in two areas: (1) availability of affordable units; and (2) accessibility within the housing unit based on individual disabilities. *Far Northern Regional Developmental Disabilities Center* and the *Independent Living Center of Northern California*, two non-profit agencies in the Redding area that work exclusively with the disabled population, agree that these are the two most pervasive housing problems facing the area's handicapped population.

It has been difficult to find accurate data which represent the total handicapped population in Redding with special housing needs. Most agencies which serve this population specialize in a particular type of disability or age group and simply do not have the capacity to collect overall population data. Information gathered by the Census is specifically on work-related and public transportation disabilities among the general population. In 1980, 4.4 percent of the general population 16 years of age or older had either a work-related disability, public transportation disability, or both. No information is provided which indicates how many of this population are homeowners, renters, or at which income level. It is likely that the overall number of disabled individuals in the general population is much greater. Local service providers for the disabled population estimate that as many as 10-17 percent of the general population (6,997-11,895 persons) may be disabled to the point of needing modification to their housing arrangement.

All handicapped individuals do not have special housing needs. However, it is generally accepted that many individuals with a disabling physical handicap require some degree of modification to their housing unit based upon the limitations of their individual handicap. Individuals with mental or developmental handicaps, such as the mentally retarded or persons with behavior related problems, would generally benefit by availability of supportive housing. For example, many of this population find that group living quarters, or clustered housing is a desirable arrangement.

These types of housing styles provide a greater level of independence than do institutional facilities, but still maintain a certain degree of supervisory caretaking.

In 1984, Title 24 of the State Uniform Building Code mandated that all multi-family residential construction projects containing in excess of 5 units under construction after September 15, 1985 would conform to specific disabled adaptability/accessibility regulations. Unfortunately, the actual increase in the number of handicapped-accessible units available on the current rental market has been small. For the 20-month period, May 1990 through December 1991, approximately 456 units were constructed which fell under Title 24 regulations. Of these constructed units, approximately 23 are considered handicapped accessible, with the remainder (433 units) containing features which make them more readily adaptable for tenants with physical disabilities, if the landlord so chooses. In 1992's tight rental market, little if any actual incentives exist to encourage a landlord to cover the extra expense of converting these "adaptable" units to "accessible" units.

It is anticipated that by mid 1992, Federal regulations regarding handicapped accessibility of multi-unit buildings will supplant the State regulations used presently. Generally, the Federal regulations will require all units meeting threshold criteria be built as accessible to the handicapped, not simply adaptable.

The housing needs of developmentally disabled persons, including the mentally retarded, are typically not addressed by Title 24 regulations. The needs of this disabled group tend to be for a variety of supportive housing arrangements. Some of this population have a need for housing which provides a semi-sheltered, semi-independent living state, such as clustered group housing or other group-living quarters; others are capable of living independently if affordable units are available.

Group-home living quarters for a variety of specific disabled clientele groups have traditionally been found intermixed within residential neighborhoods. Larger single-family homes are purchased or leased by the supporting agency and house a small group of handicapped clients along with support personnel. The availability of these larger (4-5 bedroom) homes is diminishing, as well as becoming cost prohibitive to purchase and/or lease. By local zoning ordinance, residents are limited to six or fewer in number per facility if located within standard single-family zoned neighborhoods. In addition, the general public continues to voice its displeasure at housing these group homes within residential neighborhoods. Although the latter problem is unlikely to diminish, regardless of public education efforts and/or familiarity with the client groups, the problems of affordability and availability are worthy of further civic attention.

A fact that compounds the housing problems of the disabled population is that many fall into several of the special needs categories. Many of Redding's disabled are also elderly and/or single individuals. Many of these households require units with a second bedroom for live-in attendant care. The larger units are correspondingly more expensive to rent, making housing costs excessively expensive for fixed-income households.

Standard move-in costs for rental units in this area include first and last month's rent and a substantial security deposit. These amounts are prohibitive to a lower-income household, even if an affordable unit is located.

c. Large Families

The housing needs of large families, which HUD defines as those consisting of five or more members, have been touched upon in the previous section on overcrowding. There exists in Redding a shortage of large (4+ bedrooms) rental units suitable for housing a "large" family. The current rent figures for the few units of this size make them unaffordable to lower-income families. According to the 1990 Census, large families make up 8.5 percent of the total households in the City. Approximately 52.7% are renter households and 47.3% are homeowners. Translated into 1991 figures, 2,323 households citywide are considered large (5+) by HUD standards, 1,224 are renters and 1,099 are homeowners.

Ethnicity clearly impacts the probability of being a large family. Although 1990 Census figures are not yet available, in 1980 15.8 percent of all Asian families in 1980 were considered large; 15 percent of all Black families; 14.2 percent of Hispanic families; 13.8 percent of American Indian families; and 7.7 percent of White families. Over the past ten years, there has been a large increase (+886%) in the number of Asian families residing in the area. Of these, large families tend to be the norm. The Redding Housing Authority reports that Asian families make up over 10.5 percent of all families waiting for 3+ bedroom subsidies and 30.1 percent of the families on its 4+ bedroom waiting list.

d. Female-Headed Households

According to the 1990 Census, 30.6 percent of all households in Redding are headed by a female. Of these households, 30.2 percent have minor children in the household. The Redding Housing Authority reports that more than 79 percent of the households currently on the waiting list for subsidies are headed by females. The income calculations from the 1990 Census are not yet available, but in 1980 the mean family income of female-headed households with minor children present was reported to

be 65 percent less than all families in general. For female-headed households without children present (typically elderly women), the income figure is 30 percent less than all families in general. Of the 8,364 female-headed households residing in Redding in 1991, it is estimated that 80 percent are overpaying for housing. These statistics represent an accurate picture of what has been called the "feminization" of poverty. According to the housing report, "Grasping at the Dream, California Housing: Who can Afford the Price?" prepared by the California State Senate Office of Research in June 1990, several expert sources stated that female-headed families are disproportionately affected by the current housing crisis and are possibly the group with the most extensive housing needs. Nationwide, two-thirds (66 percent) of all low-income renter families with children are composed of a female single parent and her children.

In addition to affordability issues, much of this group has an added burden of locating units which are suitable for raising children. Features such as an adequate number of bedrooms, play yards, fencing, and a physically safe neighborhood, are critical issues to the well being of a family. Most new rental housing is being built with 2 or less bedrooms. According to City Building Department records, of the 577 new multi-family units which have been constructed during the 20-month period May 1990 through December 1991, 88 percent (508) had 2 bedrooms or less. Existing rental units in an affordable price range are typically located in older, less desirable neighborhoods.

Programs such as Family Self-Sufficiency, and affordable housing new construction efforts will help address this group's need for decent, affordable larger units, as well as provide access to supportive services, such as child care, which are vital to families with children. New HUD programs such as Family Self-Sufficiency and the Homeless Demonstration Program (Programs 5.9 & 5.6) have the ability to provide opportunities for lower-income families to pull themselves out of the poverty cycle through a network of education, job-training, mental and physical health services, and alcohol and substance abuse counseling.

e. Minorities

The breakdown of Redding's population by ethnic group is presented in an earlier section of this document, "Income and Ethnicity." The housing needs of these groups are, for the most part, identical to those of non-minorities in Redding. All low- and moderate-income persons, regardless of ethnicity, face the major problem of housing affordability and secondly, the issue of housing availability. Other than the correlation between minorities and size of family, which was discussed previously in the section on large families, housing problems existing solely because of race do not appear to be an issue in the community.

f. Farm Workers

Redding is located at the northern end of the Sacramento Valley, which is above the major agricultural areas of California. In 1990, agricultural employment comprised only 2 percent of the total wage and salary employment in the entire County. This category of employment, in addition to containing traditional farm work, includes those individuals employed in the forestry industry. Individuals employed in the forestry industry typically have permanent housing they return to on a daily basis or are housed by the company at the various job sites, the majority of which are located in the mountainous areas outside of the County. The primary types of traditional farm work in Shasta County are jobs related to strawberry plant processing, potato harvesting and apiary work.

According to the State Employment Development Department's Agricultural Specialist for Shasta County, within the planning area of the City of Redding there are no agricultural operations which use temporary, seasonal farm workers. The Region 2 Office of Migrant Child Education also reports that they do not perceive a need for specific housing for farm workers in the immediate Redding area. Both of these service providers stated that the vast majority of farm workers residing in this area are permanent, not migratory, residents. According to both sources, EDD and Migrant Education, many of the families employed in farm work are of Hispanic or Southeast Asian heritage. Because these ethnicities tend to have larger families, the difficulties described in Sections III5c "Large Families" and IIIA3 "Overcrowding" would apply. These problems would be compounded with any communication difficulties related to non-English speaking households. In order to mitigate this last difficulty on City sponsored programs, the Redding Housing Authority has access to translators for many of the commonly spoken Southeast Asian dialects, as well as Spanish, if needed. It appears that except for those problems noted above, the housing needs of households employed in agriculture do not differ from other households of comparable income employed elsewhere in this area.

g. Persons or Families in Need of Emergency Shelter

Recent amendments to housing element law (Article 10.6 of the Government Code) require local governments to plan for the provision of shelters and transitional housing for homeless persons and families. In addition, all localities must designate sites suitable to accommodate facilities capable of meeting the identified need.

The following discussion attempts to identify those in the population who are currently in need of emergency shelter, and project an estimate of the number of persons and families who are considered to be in the "at risk" category. This last group would be individuals and families whose current housing situation is so fragile that the likelihood of their requiring emergency shelter in the immediate future is high.

The 1990 Census is the first national effort taken to enumerate the homeless population. Based upon preliminary figures from the 1990 Census, the homeless population count in Redding as of April 1990 was 584 (.8 percent of the general population). According to the State in its draft Comprehensive Housing Affordability Strategy (CHAS), crude estimates of Statewide homelessness on any given day range from one-half to one percent of the general population.

This report relies upon estimates provided by the primary providers of current services to Redding's homeless and at risk populations. Among these service providers are the City and County Housing Authorities, County Social Services Department, County Mental Health Department, County Youth Services, Social Security Administration, as well as several non-profit community-based organizations: People of Progress, Northern Valley Catholic Social Services, Good News Rescue Mission/House of Hope, Shasta Housing Development Corporation, and the Salvation Army.

It is difficult to accurately document the extent of the homeless condition in the area. Service providers generally are working with specialized segments of the total homeless/at risk population. Overlap among clients occurs frequently as many of this population have multiple unmet needs.

Homelessness, by its very definition, implies an absence of basic necessities. Lack of shelter typically goes hand in hand with lack of adequate food, clothing, transportation, and steady income. In addition to the portion of the whole which might be double or triple counted, there also remains a portion of the whole which is more likely not to be counted at all. Those individuals who choose to separate themselves from organized society's efforts to help them remain uncoun­ted.

It is even more difficult to tally the "at risk" portion of the population. These people represent a potentially huge addition to the overall homeless population. On the verge of homelessness, many of these "at risk" people are in a constant state of flux between the two designations. The largest element of the at risk population is made up of lower-income families, tenuously employed or relying on public assistance who are currently overpaying for housing. A slight over-balancing in any area of their lives can push them into homelessness.

Little community-wide data is available to accurately tally the various categories of homeless persons. Single men, at one time considered to be the primary component of the homeless population, today comprise only one element of the homeless population. Several local service providers feel that homeless families make up between 75-90 percent of the homeless population in the area. It is possible that the relative scarcity of programs offering supportive services to single homeless persons may influence these statistics, as data is generally kept for those served only. Statistics for the seasonal shelter operated by the Salvation Army, which serves singles as well as family groups, show a predominance of single males (76% of all participants) over any other group.

Three local providers, the Housing Authorities of the City of Redding and Shasta County and the Shasta County Social Services Department operate programs which deal almost exclusively with homeless families.

The City of Redding Housing Authority reports that during the 12-month period ending September 1, 1991, 52 homeless families were assisted with Section 8 rental assistance.

The Shasta County Social Services Department had applications for assistance from approximately 2,964 unduplicated families from July 1, 1990 through June 30, 1991. Social Services is able to assist homeless families through two programs. The first provides monetary assistance for shelter (up to 16 days) at local motels. The second provides monetary assistance to help with the move-in costs associated with securing permanent housing. Eligible costs are utility and security deposits, as well as the last month's rent, if required. Both of these programs are available one time in any 24-month period for each eligible family Statewide. The average grant per family covering both programs is \$1,480.

Several local non-profit agencies also assist the homeless population with vouchers for lodging at local motels. Motel vouchers for emergency shelter are available from People of Progress and the Salvation Army. Both of these agencies serve both homeless singles and families; however, they report the majority of their clientele is made up of families. The amount of assistance these two agencies can provide is limited. During the 12-month period ending September 30, 1991, the Salvation Army assisted the area's homeless with a total of 2,966 motel voucher nights. People of Progress reports providing 4,967 motel shelter nights during a 90-day period ending September 30, 1991. Of these vouchers, 1,384 went to assist homeless adolescent mothers and their children through a cooperative agreement with another local nonprofit agency, Northern Valley Catholic Social Service.

Year round emergency shelter is available for single men through the Good News Rescue Mission. This primarily evangelical organization operates a 36-bed homeless shelter. In exchange for attendance at a religious service, homeless men receive meals, shower, and a bed.

The only secular emergency shelter currently available in the community is the Armory Shelter, which is open during the winter months. This facility (open typically from December - April each year) provides food, baths, and beds for up to 125 men, women and children per night. During the period from December 1, 1990 through April 3, 1991, the Armory Shelter provided 7,296 lodging spaces (an average of 63 per night). The majority of users of this shelter are single men (approximately 74%). Homeless families comprise approximately 18% of the shelter clients, with single women making up less than 5% of the clientele.

Various private and governmental agencies provide limited emergency shelter to specialized client groups apart from the above-mentioned facilities. Shasta County Community Mental Health Services is able to temporarily house up to sixteen client households each night, utilizing motel rent vouchers. The Shasta County Women's Refuge operates a 24-bed emergency facility available to abused women and children for up to a one-month stay.

In January 1991, "Pine Place," a 10-bed facility for homeless, single teenage mothers, opened in Redding. Administered by Northern Valley Catholic Social Service, this facility acts as both an emergency shelter and transitional facility for the target population group. Two transitional facilities, providing an additional 20 units, have also opened during the past six months. Both of these facilities provide shelter and other supportive services to homeless families. Shasta Housing Development Corporation, which owns and administers the latter two facilities, reports 87 families are currently on the waiting list for available units. Although the facilities have only recently begun operation, May '91 and July '91 respectively, it is anticipated that 60 families annually will be assisted with an average stay of four - six months per family.

Recent Federal and State funding for both emergency and transitional shelters has opened up the possibilities for innovative service providers interested in creating similar opportunities for other client groups.

New transitional and emergency housing facilities must comply with current development standards and zoning requirements. Generally, transitional facilities would be allowed in all multi-family residential districts pursuant to adopted development standards and dependent upon the type of facility proposed; i.e. mobilehome park, apartments, boarding house, etc. Emergency shelters would be allowed in commercial districts upon issuance of a use-permit for the project. The project review process ensures that common standards are applied to all projects. Conditions imposed during the process would be standardized, objective, and no more restrictive than those for similar projects, such as hotels, apartments, or boarding houses in commercial areas. During FY 92 -93, the City's Zoning Ordinance will be reviewed and revised to specify both transitional housing and emergency shelter facilities for the homeless under the appropriate categories (Program 5.5).

The availability of vacant multi-family sites and vacant commercial sites is depicted in Tables A1-A2 in the Appendix. Commercial property often is the most expensive land classification within a community; however, there is commercial land that suffers from poor exposure or a less than desirable location and would be correspondingly less valuable. The market value is determined on a dollar per square foot basis representative of the attractiveness of the property's location for business trade. Land in the more popular commercial core areas would very likely be too expensive for a homeless project. In Redding, less expensive commercial sites are available along the Highway 273 corridor and in the Lake Boulevard area which are adjacent to both medical and social services for the homeless. Under the City's Zoning Ordinance, apartments can be developed in commercial areas with reduced yard requirements and at densities up to 21 units per acre.

Current City zoning and land use ordinances do not pose an unreasonable constraint on the development of homeless facilities. Development of new homeless facilities in Redding suffers primarily from lack of sufficient funding for projects and the relative inexperience of local non-profit developers of this type of housing.

In the past, existing structures have primarily been utilized for both emergency and transitional facilities. Often, acquisition and rehabilitation of under-utilized or economically obsolete structures, such as older motels, single-room occupancy hotels, or older apartment buildings, is more financially feasible than new construction. Several of Redding's older motel complexes have been considered for modification to transitional facilities. One motel facility was purchased and rehabilitated for this purpose during the past year. Two older apartment buildings

have also been purchased and are being utilized as transitional housing. The emergency facilities which are currently available in Redding also utilize existing structures, the National Guard Armory and an older commercial building.

It is important to note that the long-term success of any program for the homeless lies at least in part with its ability to address the proximate problem the majority of homeless face of insufficient, stable income to secure permanent housing. Transitional housing projects must address a wide range of social, personal, and economic problems which act as barriers for many homeless persons. These problems often include lack of job skills, lack of money management skills, substance abuse, lack of reliable child care, lack of transportation, insufficient mental and physical health care, and other personal problems.

Long-range alleviation of homelessness also relies upon the availability of affordable housing in the community and availability of jobs which pay adequate wages. Without units available at an affordable price, many families who have struggled for months to overcome personal and economic problems will find themselves once again back on the streets. For lower-income "at risk" households, excessive housing costs often act as the agent which pushes them into homelessness. Without employment opportunities, it is difficult if not impossible to sustain stable living arrangements, even when that housing is considered affordable.

Based upon testimony received during recent public meetings held to discuss community housing needs and staff research with the area's homeless service providers, there exists a need for the following:

- Homeless transitional housing facilities able to house a minimum of 70 more families.
- Direct financial assistance with the costs related to securing permanent housing such as security and other required deposits.
- A year-round emergency shelter of 50 - 80 beds able to serve singles and families, as well as disabled adults.
- Greater availability of affordable housing in the community.

B. Assessment of Future Housing Needs Based Upon Regional Share Figures

The State Department of Housing and Community Development has projected that by July 1997, Redding's population will consist of 34,433 households. Table 3 illustrates these households broken down by income group. HCD has further estimated the new housing units that must be built to adequately house Redding's future population. In order to bring these figures current, the number of actual residential units that have been constructed in Redding since January 1, 1991 (HCD calculations are based on existing housing units and population figures as of January 1, 1991) have been subtracted from the projected need figures in Table 4.

As discussed in Section IV C, City building officials project that the private construction pace of approximately 1,200 new units per year will continue through the five-year planning period. The past year's lower numbers reflect the overall instability of the national and state economic situation. As the economy recovers, it is likely that private residential development will experience a resurgence.

Historically, most private market single-family units have been constructed in the mid to upper price ranges. Privately built multi-family units are usually constructed as for-profit ventures and the rents are structured with a laissez-faire approach. In a tight rental market such as Redding's, lower-priced units become non-existent as competition for available units increases.

The construction of units affordable to the community's lower-income households will most likely come about through public-private partnerships. In the past, affordable projects have only come to fruition through the creative use of non-traditional private and public financing. Federal, State, and local sources of financing for affordable projects will be highly sought after during the upcoming planning period.

The City will pursue the provision of affordable housing for lower-income residents through a multi-faceted strategy which includes continued rehabilitation of the existing housing stock, provision of direct rental housing subsidies, operation of supportive housing programs which train families to be economically self-sufficient, preservation of existing affordable housing units, as well as facilitating the construction of new, affordable units. Efforts to facilitate new construction of affordable units are discussed in detail in Section IX, Programs 2.1, 2.2, 2.4, 2.5, 2.8, 2.9, 2.11, 2.12, 3.2, 3.3, 3.4, 4.1, and 5.5. As can be readily seen from the tables, the projected need over the next five years is far greater than the currently identified sources of financing for affordable projects. In order to increase the availability of affordable housing, and maximize the likelihood that the Housing Element goal of 950 new affordable units over the planning period is reached, the City will inform the local development community, including both non-profit and for profit developers, regarding existing program requirements and benefits; apply for new funding such as HOME, which can be used for new construction; increase the availability of land zoned for higher density housing projects; and undertake development of affordable multifamily housing through the Redding Housing Development Corporation (Program 2.11).

TABLE 3

California State Department of Housing and Community Development

POPULATION PROJECTION FIGURES FOR REDDING

January 1, 1991 to July 1, 1997

	Number of Households January 1, 1991	%	Number of Households July 1, 1997	%	Growth by Income Group
INCOME GROUP					
Very low	6,014	22%	7,575	22%	+ 1,561
Other lower	5,193	19%	6,542	19%	+ 1,349
Moderate	5,467	20%	6,887	20%	+ 1,420
Above moderate	10,667	39%	13,429	39%	+ 2,768
TOTAL:	27,335	100%	34,433	100%	+ 7,098

Source: California State Department of Housing & Community Development

TABLE 4

California State Department of Housing & Community Development						
BASIC CONSTRUCTION NEEDS FOR REDDING						
January 1, 1991 to July 1, 1997						
BY COMPONENTS: (*)		Housing Units				
Household Increase		7,098				
1991 Vacancy Need		740				
1997 Vacancy Need		439				
Replacement Need 1991-1997		422				
TOTAL PROJECTED NEED:		8,699				
(*) Basic Construction Needs were calculated using the following: A homeownership percentage of 53.5; a vacant not-for-sale-or-rent percentage of 2; and an annual removal rate of .002.						
BY INCOME GROUP:		Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total Units
Need as of January, 1991		1,914	1,652	1,740	3,393	8,699
Constructed January 1991 through December 1991		0	0	250	422	672
Units Needed from January 1992 to July 1997		1,914	1,652	1,490	2,971	8,027
Units Needed Per Year		348	300	271	540	1,459
Source: California State Department of Housing and Community Development Regional Housing Needs Plan for Shasta County, October 1991.						

C. Land Inventory & Site Availability

The availability of sufficient vacant land suitable to be developed for residential purposes is a critical factor in any residential project feasibility analysis. During the summer of 1991, Department of Planning and Community Development staff Table A1 identifies the total gross acreage of all land within the City of Redding Sphere of Influence and the gross acreage within each category which is undeveloped. Table A2 further identifies residential land within the City limits by density category, the amount of undeveloped land within each category, and the potential number of additional units which could be developed. Figures 7-10 in the Appendix identify the general location of vacant land within the City classified as appropriate for medium- to high-density housing projects. Higher-density land is widely considered to be more adaptable to affordable-housing projects because of a variety of factors. The most common assumption is that it has a relatively less expensive per-acre cost which could pass down to future residents as correspondingly lower-housing costs. In Redding, as in other communities in the State, land classified for multi-family development is generally appraised by multiplying a "per-unit" cost with the number of units that can be developed on the parcel. Density is only one of many variables utilized when determining "per-unit" cost. According to information provided by two local MAI appraisers, other factors which influence "per-unit" cost are size of the parcel, location, topography, and availability of infrastructure. For example, if per-unit cost is \$5,000, an acre of land zoned for 9 units per acre would be valued at \$45,000. That same parcel zoned at 18 units per acre would appraise at approximately \$90,000. In a recent study of three privately developed, unassisted multi-family projects consisting of a total of 276 units built in Redding within the past two years, land costs were similar for all densities with comparable locations.

Projects built at higher densities can, however, realize overall project cost savings due to factors other than land cost. The cost of construction on a multi-family project can be lowered on a per-unit basis in higher-density projects because of a greater sharing of building elements such as exterior walls and mechanical systems. Project infrastructure costs such as required street improvements, etc. might be lower also on higher density projects.

According to a recent report, "The Cost of Affordable Housing," commissioned by the California Department of Housing and Community Development, a major factor in the affordability of multifamily housing development is the scale of the project. Projects of 200+ units are considered optimal to minimize the per unit cost. It is unclear whether this "scale" factor would be enhanced due to higher density.

Land density, while not the most important factor in the affordability formula, has an acknowledged effect on overall project affordability for the above reasons.

As required by State Housing Element Law, a community's Housing Element must demonstrate availability of land, sufficient to accommodate the number of new units necessary to house the population anticipated over the next five-year period. Discussed in detail in Section IIIB, HCD is projecting an increase of approximately 7,098 new households in Redding by July 1, 1997.

Approximately 2,910 of these households will be in the lower-income groups for which higher-density housing is seen as most likely to be affordable. Tables 3-4 in the previous section show a need for a minimum of 3,566 new units over the next five years to adequately house this population group. This figure takes into consideration a vacancy factor and a replacement factor for deteriorated existing housing needing replacement over the five-year period. Utilizing a zoning density of 18 units per acre, a minimum of 198 acres of land would be required to develop this number of potentially affordable new units. As can be seen by the vacant residential land inventory (Table A2), currently there are approximately 40 acres of appropriately zoned land available to be developed at 18+ units per acre. A deficit of 158 acres remains.

The City will, through a variety of actions, increase the amount of higher density land within its boundaries which is available for development at 18 units per acre or higher. The land to be considered for upzoning generally consists of the parcels identified on Figures 7-10 in the Appendix. The properties identified on the location maps (Figures 7-10) are currently classified for multi-family residential development. These properties within the City limits have adequate infrastructure and all utility services available to them. As can be seen from the location maps, higher density land uses are generally concentrated in the core areas of the City or along major arterials. All sites have access to public transportation and retail amenities. The terrain is generally level to slightly sloping allowing for development of the maximum number of units. Consideration will be given to increasing the density of parcels which meet General Plan land use classification parameters for 24 units per acre (as contained in the Land Use Element of the General Plan) to that density.

These actions will occur early within the five-year planning period to allow sufficient time for the subsequent development to occur within the target five-year period. The actions which the City will undertake include the following:

- 1. Updating and consolidation of all existing Area Plans within the City, as defined in the Land Use Element.**

The City and its Sphere of Influence is currently divided into planning units called Area Plans (See Figure 6). With this action, the City will evaluate existing land use and zoning within the entire City over a ten-year period. As part of each Area Plan update the City will upzone existing multi-family designated vacant land, as well as identify and recommend redevelopment of underutilized land appropriate for high density residential use. Area Plans containing vacant land within the existing City limits with the greatest potential for development of affordable housing will be evaluated early in the action program. During the first three years of this process, calculations of acreage to be upzoned is not dependent upon annexation activity.

Land to be upzoned will be those vacant parcels designated as multi-family parcels, which have utility services available or in close proximity, are in close proximity to major arterials, have urban transit services available, are in close proximity to retail and commercial centers, and whose natural terrain would allow full development of the parcel.

Disbursement of the upzoned land throughout the City will also be a consideration. The following is a schedule for the Area Plan Update Program and the anticipated amount of higher density acreage to be added.

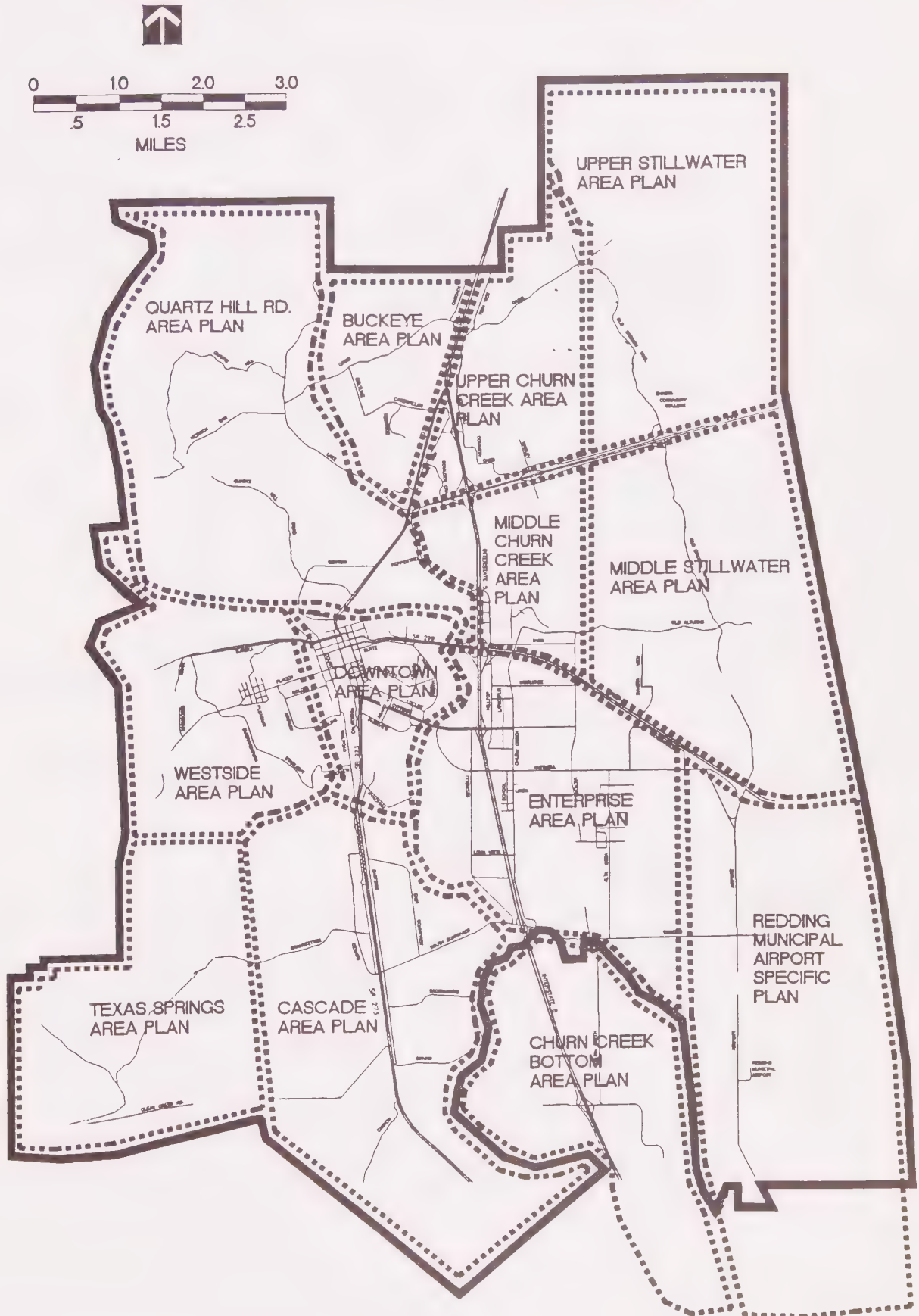
TABLE 5

SCHEDULE OF AREA PLANS UPDATE AND CONSOLIDATION		
AREA PLAN	INCREASE IN 18 + UNITS/ACRE LAND	FISCAL YEAR
Westside Area Plan	5 acres	1991/92
Upper Stillwater Area Plan	20 acres	1992/93
Middle Stillwater Area Plan	50 acres	1992/93
Upper Churn Creek Area Plan	50 acres	1992/93
Middle Churn Creek Area Plan	50 acres	1993/94
Expansion of Texas Springs	0 acres	1993/94
Buckeye Area Plan	20 acres	1994/95
Enterprise Area Plan	50 acres	1994/95
Cascade Area Plan	5 acres	1995/96
Quartz Hill Road Area Plan	20 acres	1995/96
Downtown Redding Area Plan	5 acres	1996/97
Churn Creek Bottom Area Plan	0 acres	2000/01
Redding Municipal Airport Specific Plan	5 acres	2000/01
TOTAL ANTICIPATED ACREAGE AT 18 + U/A:	280 ACRES	

Time Frame: 175 acres by July 1, 1994; and an additional 105 acres by July 1, 2002.

FIGURE 6

CURRENT & ANTICIPATED AREA AND SPECIFIC PLANS



SPHERE OF INFLUENCE
BOUNDARY

2. Compile Inventory of Sites Appropriate for Intensification of Use

In addition to the vacant sites identified as suitable for new development of multiple-family units, sites located within several older residential neighborhoods in Redding's core might be suitable for redevelopment to higher density use. For example, a neighborhood comprised of older single-family homes whose use has changed to primarily lower-cost rentals. Several neighborhoods located in the Parkview Area of Redding were developed 40-50 years ago as single-family areas with zoning which would allow development as high as 30+ units per acre. Similar neighborhoods exist in several other areas of the City and might also lend themselves to more intensive use or redevelopment.

The City will undertake the study of selected areas of the City whose age, condition, or present pattern of use might lend itself to redevelopment into affordable housing. An inventory of appropriate sites will be compiled and made available to developers of affordable housing projects.

Total increase in available acreage at 18+ units per acre: 25 acres

Time Frame: FY 92-94

3. Annexation Program

The City will continue its ongoing program of annexation of property adjacent to existing boundaries. As annexations occur, the potential for upzoning of vacant land will be considered.

Total increase in available acreage at 18+ units per acre: Unknown

Time Frame: Ongoing.

Summary

Through implementation of the Area Plan Update Program, the Land Redevelopment Study, and to a lesser extent, the Annexation Program, detailed above, the City will increase the inventory of land suitable for development of higher density units sufficiently to accommodate the anticipated population growth over the next ten years.

The level of annexation activity which the City will undertake during the next five year period is undetermined at this point in time. For that reason, the total amount of higher density acreage to be added to the City land inventory through annexation is unable to be accurately identified. No projection of acreage to be gained through annexation is included in the following acreage totals for the three actions.

By July 1994 a minimum of 200 acres of higher density land will have been added, by July 2002 an additional 105 acres is anticipated to be added.

It is important to note that the actions described above are subject to public input throughout the update process. Upzoning and General Plan classification changes are potentially controversial actions and the subsequent outcome is to a large extent dependent upon resident desires.

D. Infrastructure Status and Limiting Factors

The City of Redding provides the majority of utility services within the city limits including water, electrical service, solid waste disposal and waste water services. A summary of the current status of these services and future capacity is provided below. Utilities to newly annexed property in the City are transitioned over time from private vendors to City services.

The City has owned and operated the community's primary water system since 1938. The City water utility supplies water to the majority of City residents and businesses. In the northeast and westerly portions of the City, two independent water districts, Bella Vista and Centerville, supply this service. The principal source of supply for the City's system is the Sacramento River, with secondary reliance on a series of deep water wells. Current storage capacity is 28 million gallons and current annual distribution is approximately 6,136 million gallons. The City operates the system as a self-supporting utility. The City has a long-range water master plan which calls for approximately \$31 million of system improvements over the next ten years. It is anticipated that the current system and the planned-for improvements will be sufficient to accommodate the level of population growth anticipated during the planning period.

The City of Redding has owned an electrical power distribution system in the City since 1921. Redding obtains its energy from a variety of sources including the Western Area Power Administration, hydro-electric projects solely-owned or partially-owned by the City Electric Department, and supplemental power purchased from P.G.& E. Redding's electric distribution system has approximately 32,000 customers. The system is served by 10 substations. It is estimated that during the five-year planning period ending in July of 1997, the City's electric system will be serving 42,000 customers. The City's Electric Utility has developed a long-range resource plan which will assist the City to develop and maintain sufficient power resources to meet the future power requirements of its customers.

The City of Redding provides all waste water services within the City limits. The City currently relies upon two regional wastewater treatment facilities, Clear Creek Treatment Plant and the Stillwater Treatment Plant, for all of its wastewater treatment needs. The two plants have a combined capacity to process 12.8 million gallons of wastewater daily. Expansion of both of these plants is anticipated within the next 10 years, increasing total capacity to 16 million gallons daily, sufficient to accommodate population growth projections for the next ten-year period.

Solid waste disposal services are provided by the City at competitive rates for all City residents. The City currently shares a landfill facility with the County which is not expected to reach capacity for at least another 30 years. The City is in the process of selecting a new site for a solid waste transfer station, as well as a potential future landfill site. It is not anticipated that the landfill site will become operational during this planning period.

All school districts within the City of Redding charge school fees to developers to assist with the cost of buildings and facilities to accommodate a growing student population. In the recent months, a district located within Shasta County but outside of the City's Sphere of Influence, was successful in implementing additional development fees on top of those already imposed by every district in the County. The likelihood is great that other districts will also pursue these extra fees from residential development during the planning period.

The City requires developers of all types of projects to contribute to the cost of providing streets, street lighting, curb, gutter, and sidewalk improvements, and other infrastructure, such as storm drains and sewer lines impacted by the development. Developer contributions can be in the form of impact fees or actual construction or improvement of affected infrastructure. The City utilizes a major portion of its redevelopment tax increment revenues to assist in defraying the cost of large infrastructure projects and also pursues available state and federal funds for these projects.

In summary, while cost factors to provide utility services, educational services, and an adequate transportation system will continue to increase over the next five-year period, all of these elements will have adequate capacity to serve the anticipated growth during the same period, as long as money is available for necessary improvements.

IV. GOVERNMENTAL CONSTRAINTS TO MAINTENANCE, IMPROVEMENT, AND DEVELOPMENT OF HOUSING

Housing affordability is influenced by factors in both the private and public sectors. Actions by the City can have an impact on the price and availability of housing in the City. Land-use controls, such as the implementation of the City's General Plan, land zoning, building code enforcement, and on- and off-site improvement requirements; as well as fees and exactions, permit processing and other local actions intended to improve the overall quality of housing, may serve as a constraint to housing development. This chapter discusses these possible constraints to development and the actions the City will take or has taken to mitigate the negative effects.

A. Land Use Controls

1. City of Redding's General Plan

Redding's General Plan sets forth policies applicable to nearly all development. The Land Use Element of the General Plan and corresponding zoning provide for a full range of residential types and densities spread throughout the City. Densities range from 0.1 - 4.0 units per acre in Low-Density Residential areas up to 24.0 units per acre in areas designed for High-Density Residential. These land-use classifications and zoning categories are discussed at length in the Land Use Element of the Redding General Plan.

In determining appropriate density classification for residential land, the following factors are taken into consideration: existing land use of surrounding parcels, availability of urban services, size of parcel, street access, and natural topography. Areas in excess of 20 percent slope or subject to flooding by a 100-year flood or storm event are generally unable to be developed unless an entire parcel is so designated, in which case, by use permit, one dwelling unit per 20 acres may be permitted.

For higher densities, 12 units per acre or greater, generally full urban services must be available and the parcel must be in close proximity to a major arterial. At the current maximum residential density classification, 24 units per acre, parcels must be located in urban core areas where public transportation is available and many shopping and service needs can be met by nonmotorized transportation methods.

The City of Redding facilitates the availability of affordable housing through several development and land use mechanisms. Developers of housing for seniors are allowed an automatic 100% increase in assigned density and granted development concessions, such as reduced parking requirements which add to the affordability of projects. The City has adopted a condominium conversion ordinance which encourages new condominium construction rather than conversions in order to assist in maintaining an adequate supply of rental housing. The City's Accessory Apartment Ordinance allows second units adjacent to existing single-family homes in order to add inexpensive rental units to the City's

housing stock to meet the needs of smaller low- and moderate-income households. Placement of mobilehomes is allowed in all residential neighborhoods according to existing development standards.

The City's Planned Development Ordinance allows density bonuses for high quality projects that provide increased amounts of open space and are designed in a manner sensitive to the existing topography and surrounding lands. Increases range up to 50 percent depending upon residential density classification. The condominium ordinance allows a ten percent density bonus.

In addition, the City's Density Bonus Ordinance follows current State law which requires that density bonuses of at least 25 percent be available to developers of both single-family and multi-family units if:

- a. Twenty percent of the developed units are kept affordable for lower-income households (income less than 80 percent of the median); or
- b. Ten percent of the developed units are kept affordable for very-low income households (less than 50 percent of the area median); or
- c. Fifty percent of the total units are set aside for senior citizens (62 years or older; 55 years or older if it's a senior citizen development).

As indicated in Table A-2, an estimated 29,305 additional dwelling units could be developed within current City boundaries under Redding's present General Plan within a wide range of residential densities. Additional units could also be developed in other classifications. As of January 1, 1991, 28,285 dwelling units existed within the City. Clearly, the current General Plan has the needed capacity to accommodate the area's projected growth. According to State HCD, housing affordable to the area's lower-income population would be more likely to be developed at higher densities. The relative scarcity of land currently classified by the General Plan as appropriate for higher density residential development has been identified as a possible constraint to the provision of affordable housing in the community. Section IV B-C identifies the actions the City will undertake during the planning period to mitigate this possible constraint to development of affordable housing.

Historically, within the City limits, Building Department records indicate an average residential building rate of approximately 1,200 dwelling units per year from January 1989 through December 1991. Building officials anticipate that this rate will continue or increase slightly through the next planning period.

Land absorption for Redding since 1988 indicates that approximately 640 acres, or about one square mile, is used by new development each year. Of this, about 400 acres is consumed by residential use. According to City Planning and Community Development Department records, current building patterns in Redding indicate residential development projects typically utilize the full capacity of units allowed by the General Plan. In a recent study of three completed multifamily projects and two multifamily projects entering the construction phase, consisting of a total of 353 units, four of the five projects resulted in a greater number of units per acre than the General Plan classification under which they were built.

2. Zoning

The Zoning Ordinance is the City's principal tool for effectuating the land use proposals of the General Plan. Redding's Zoning Ordinance establishes various zoning districts which control both land use and development standards. Redding's Zoning Ordinance includes a wide variety of residential districts including both single- and multi-family development, as well as numerous combining districts which serve to address special residential situations, such as accessory apartments, mobile homes, etc. These are discussed in detail in the Land Use Element of the General Plan.

The City has adopted development standards as part of the Zoning Ordinance which address usable open space, slope density standards, and building set-backs. These provide for passive and active recreational opportunities, reduce hillside erosion and water course siltation, and protect the public health and safety by slowing the spread of fires and ensuring adequate light and air passage.

These development standards are viewed as necessary to protect public health, safety, and welfare and maintain the quality of life, and are not considered constraints to the development of housing. The City has adopted a Density Bonus Program pursuant to State law which allows for negotiation of reduction of development standards to assist in the development of affordable housing units.

3. Building Code Enforcement

Building construction standards in Redding are based upon the 1990 Uniform Building Code. This Code is updated every three years as per State requirements. The City also utilizes the Uniform Plumbing Code, Housing Code, Electrical Code, Uniform Mechanical Code, and enforces Title 24 regarding handicapped and energy provisions. Generally, the City does not require stricter construction standards than are contained in these codes. However, a variety of code revisions have been implemented which address unit security, energy conservation, fire safety, and increased structural requirements based upon the area's winter climate. These revisions are not considered constraints to

development as the cost factors in meeting the heightened requirements are minor. Redding does not enforce a stricter seismic code than required by State law. The City has not established an ongoing systematic enforcement of building code standards for existing dwellings. Existing units are inspected only when complaints are received by the City, or when an owner seeks a permit for additional construction. Existing units undergoing rehabilitation, are not required to meet current code standards. They are, however, required to meet the code under which they were constructed.

4. On- and Off-Site Improvements

Redding, like most cities in California, requires developers to provide a full complement of on- and off-site improvements including streets, curb, gutter, sidewalk, street trees, drainage, water, sewer, electric and communication utilities, and in some cases, traffic mitigations. The cost of these improvements is passed on to the eventual buyers or tenants in the form of higher purchase prices or increased rents.

Given the prevailing public sentiment to require new development to pay its own way rather than have the existing residents pay the cost through a broader base of financial support such as local taxes, it is unlikely that the cost burden of site improvements will markedly decrease in the near future.

The City has adopted off-street parking requirements for all residential developments. These range from two covered spaces per single-family dwelling, to a formula based number of open spaces required for multi-family projects based upon the total number of units and bedrooms in the individual project. For example, parking requirements for a 20 unit project would range from 30 to 40 uncovered, off site parking spaces depending upon the unit mix of bedroom sizes. As density increases, the off site parking requirements are slightly reduced. For example, 36 2 bedroom units built at 9 units/acre density would require approximately 72 off street parking stalls, the same complex built at 24 units/acre would require 63 parking stalls. It is felt that these requirements guard the public health and safety by discouraging burglaries, vandalism, and car theft. The initial higher cost is offset by long-term savings in police service costs. These requirements are also seen as a means of enhancing the community's appearance. As previously noted, senior citizen projects can be developed at 50% of the off-street parking required for conventional apartments. Also, the City allows reduced parking for mobilehome parks.

5. Site Development Standards

The City has adopted Site Development Standards which provide general guidelines for the development of all residential projects. Most projects undertaken in the City are subject to some level of discretionary review to assure compliance with the General Plan, Zoning Ordinance, and the following standards.

General

- a. Single-family subdivisions should not have lots with direct access to major arterials.
- b. Residential uses should be separated from major arterials by screening, sound barriers, and acoustical insulation.
- c. The density of a development should be reflective of the topography. For example, the greater the slope, the lower the density.
- d. Higher densities should be located closer to transportation corridors.
- e. Residential units should not be constructed in areas where there is a high probability of hazard to life or property.
- f. Dwelling units other than senior-citizens housing should be discouraged in the retail-commercial districts.
- g. Residential uses other than caretaker units should be discouraged in Heavy Commercial and Industrial areas.
- h. Emergency facilities for the homeless which provide temporary or limited shelter shall be allowed in commercial districts subject to a use-permit.
- i. Where higher-density housing adjoins lower-density housing efforts should be made to preserve the privacy of the lower-density housing through screening, berms, fencing, windowless walls, and lowered building height.
- j. Large residential subdivisions should have two points of access in case of emergency.
- k. Attempts should be made to create viable residential neighborhoods with parks, schools or open-space as focal points.
- l. Residential areas should incorporate walks for pedestrian safety along streets.
- m. Residential areas should have adequate street setbacks and landscaping to provide an attractive community.

Mobilehomes

Mobilehomes should continue to be permitted in the City in areas where "ST" or "RT" zoning is adopted and where there is a pattern of mobilehomes prior to annexation. Mobilehomes and other manufactured housing are allowed in other zones subject to meeting building code requirements. Mobilehome parks are allowed in multi-family areas and retail commercial areas. Travel trailer parks are allowed in retail areas.

Assisted Housing

Development of assisted or below market rate housing in the City should follow the guidelines listed below:

a. Single-Family Housing

- 1) Subsidized single-family housing shall be located in areas designated for single-family use by the General Plan and Zoning Ordinance, and construction shall be at densities compatible with those existing in the area.
- 2) Subsidized single-family housing units developed in existing subdivisions shall be disbursed throughout the subdivision and no more than two units shall be adjacent to each other at any one location.
- 3) Sites for assisted single-family housing units shall be selected so that public facilities are available and community services are within a reasonable distance, or public transportation is readily available from the project to the services.

b. Multiple-Family Housing Projects

- 1) Density bonus units in fully subsidized projects shall not exceed 25 percent of the total number of units in the project.
- 2) Fully subsidized multiple-family housing projects shall not be closer than 500 feet to another assisted housing project.
- 3) Subsidized multiple-family housing projects shall be located where public facilities are available and community services are within a reasonable distance, or public transportation is readily available from the project to the services.

c. Rehabilitation

- 1) Rehabilitation of existing housing units shall occur only in area designated for residential uses by the General Plan and Zoning Ordinance, excluding residential hotels and senior-citizen facilities in retail areas and homeless shelters within commercial districts, unless waived by the Planning Commission.

d. General

- 1) All assisted housing projects, regardless of size, shall be reviewed by the City for conformance to local codes and ordinances, the General Plan, and the preceding guidelines. The Planning Commission may consider a waiver of Site Development Standards if, in their opinion, a project is worthy of consideration and would not be materially detrimental to the concepts outlined or to the neighborhood.
- 2) Projects shall not be eligible for more than one density bonus per program per project. For example, a development cannot obtain both a State density bonus and a planned development bonus unit for the same project.

B. Fees and Exactions

Various fees and assessments are charged by the City to cover the costs of processing permits and providing services and facilities, such as utilities, schools, and infrastructure. Nearly all of these fees are assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit which will be derived. These fees, however, contribute to the cost of housing and may constrain the development of lower priced units. In order to mitigate this effect, other programs such as Density Bonuses, State and Federal funded construction programs, and tax free Mortgage Revenue Bond Financing, which all serve to greatly reduce overall production costs, are promoted by the City.

Table 6 presents typical development fees associated with the construction of a single-family house of four various sizes. Similarly, Table 7 summarizes the typical development fees associated with the construction of a duplex and fourplex. The fees include various building permits and plan check fees, development fees, water and sewer fees, traffic impact fees, and school impact fees. It is estimated that City development fees contribute approximately 7% - 10% to the overall cost of housing development.

Fees collected on zoning and subdivision applications presently do not cover staff costs for processing the application. Building fees represent the estimated cost of service for processing, plan check, inspection, etc.

In addition to building and development fees, zoning, and subdivision application fees, subdividers are required to dedicate land to be developed into neighborhood parks or pay a per-unit fee in lieu thereof (or both) as a condition of approval of a final map or parcel map (Chapter 17.42 of the Redding Municipal Code). The Land Use Element establishes policies on how a developer can retain density credits for areas dedicated at no cost for park, streets, and school sites.

C. Processing and Permit Procedures

Redding's General Plan establishes the potential capacity of housing units which can be built in the City. As required by law, in order to build these units a series of approvals (tentative subdivision map, use permit, variance, etc.) must be obtained to assure that certain standards are met. Development review can affect housing costs primarily because interest on loans must continue to be paid, and the longer it takes for a project to be approved, the higher the development cost.

The issue of affordable housing is blamed on local government, State government, tax, laws, lenders, builders, building codes, suppliers, environment, realtors, etc. The truth of the matter is that entry level homes built in the first half of this century were smaller than entry level homes being built today. Homes now have 1 ½ or 2 baths, central air conditioning and other amenities. The problem of affordability can be met in a large part by a minimal entry level house, one that can be added to and improved as new income allows.

The review process in Redding is governed by four levels of decision-making authority: City Council, Planning Commission, Board of Administrative Review, and the Director of Planning and Community Development. In order to expedite the processing of routine and simple use permits and variances (zoning exceptions), the City, in February 1989, established an administrative permit procedure. These permits may be processed and approved by the Director of Planning and Community Development instead of the Board of Administrative Review or Planning Commission, and do not require a public hearing.

A wide variety of discretionary permits are processed by the City's Planning Department. Most permits can be processed from two weeks up to four months if an environmental impact report (EIR) or other study is not required. This processing time is well within the time limits established by the Permit Streamlining Act (Public Resources Code Section 21100 et. seq.)

The City Building Division indicates that in most instances, permits for new housing, rehabilitation, or additions can be approved in about 3 - 4 weeks, with many taking far less time. Due to the City's efforts to expedite the approval process, it is not felt that the amount of time necessary for processing applications and following existing permit procedures is a constraint to development.

TABLE 6

SUMMARY OF DEVELOPMENT FEES FOR SINGLE-FAMILY RESIDENTIAL PROJECTS				
	1200 SF	1500 SF	1800 SF	2100 SF
BUILDING FEES				
Building	497	564	627	685
Electric	57	67	78	88
Plumbing	110	110	110	110
Mechanical	44	44	44	44
Plan Check	317	360	401	438
Subtotal:	\$1,025	\$1,145	\$1,260	\$1,365
DEVELOPMENT FEES				
Parks	275	275	275	275
Electric	100	100	100	100
Capital Improvements	200	200	200	200
Storm Drain	168	198	198	198
Traffic Fees	800	800	800	800
Subtotal:	\$1,543	\$1,573	\$1,603	\$1,633
WATER & SEWER				
Sewer	1,950	1,950	1,950	1,950
Water Meter	55	55	55	55
Water Connection	1,700	1,700	1,700	1,700
Subtotal:	\$3,705	\$3,705	\$3,705	\$3,705
SCHOOL FEES				
@ \$1.58 per square foot	\$1,896	\$2,370	\$2,844	\$3,318
TOTAL:	\$8,169	\$8,793	\$9,412	\$10,021
The City of Redding has established benefit districts to fund public improvements that relate to specific geographic areas. These are in addition to the above fees. Such fees apply to storm drainage and street improvements.				
Source: Department of Planning & Community Development - Building Department - January 1, 1992				

TABLE 7

SUMMARY OF DEVELOPMENT FEES FOR A TYPICAL DUPLEX AND FOURPLEX		
Duplex - 1000 SF for Each Unit 2/BDR 2/Bath Fourplex 800 SF for Each Unit 2/BDR 2/Bath	1 Covered Parking No Covered Parking	Single story Two-story
	DUPLEX	FOURPLEX
PERMITS		
Building	\$668	\$836
Electric	75	96
Plumbing	100	160
Mechanical	60	120
Plan Check	434	543
Subtotal:	\$1,337	\$1,755
DEVELOPMENT FEES		
Parks	\$300	\$600
Electric	200	400
Capital Improvements	400	600
Storm Drain	240	160
Subtotal:	\$1,140	\$1,760
WATER & SEWER		
Sewer	\$3,900	\$3,900
Water Meter	75	100
Water Connection	2,550	4,250
Sewer Tap *		
Subtotal:	\$6,525	\$8,250
TRAFFIC IMPACT **	\$1,126	\$2,252
SCHOOL FEES	\$3,160	\$5,056
TOTAL:	\$13,288	\$19,073
(*) If sewer tap is needed - add \$100.00		
(**) If in Dana District - add \$695.45		
Source: Department of Planning & Community Development, Building Division, January 1992		

V. NONGOVERNMENTAL CONSTRAINTS TO MAINTENANCE, IMPROVEMENT, AND DEVELOPMENT OF HOUSING

Nongovernmental or "market" constraints are those factors which limit the availability and affordability of housing but over which the local government has little or no control. State law requires that the housing element contain a general analysis of these constraints as a basis for possible actions by the local government to offset the effect of these constraints. The three market factors which most severely hinder the availability and cost of housing in Redding are the price of land, the cost of construction, and the availability of financing.

A. Price of Land

Residential land prices within the City of Redding vary considerably depending upon several factors. The primary factors are: 1) the specific location of the property; 2) the availability of utility services to the property; 3) the topography of the property; and 4) if adequate paved access exists.

Over the past six years, (1985-91) prices of both single-family lots and multi-family parcels within the City limits have seen a substantial increase in price. In 1985, the cost of a standard City lot in a moderately-priced, residentially zoned neighborhood averaged \$17,000 - \$25,000. Similarly located lots today average \$35,000 - \$55,000, an average increase of over 100 percent.

The price of land suitable for multi-family development is typically broken down into a per-unit cost. This allows accurate comparison between parcels of different sizes and zoning designations. Within the City limits of Redding, the current average cost of land able to be developed with multi-family units averages between \$7,000 - \$8,500 per unit. In comparison, in 1985, the average cost per unit was \$2,500 - \$3,000.

As land costs escalate, the added development cost is passed on to the homebuyer and apartment dweller in the form of correspondingly higher home prices and rental rates.

Within the current City boundaries, as more and more development occurs, less premium land is available for future projects. To some degree, the escalation in land costs over the past five years is due to the increased development activity and the depleting effect it is having on the existing inventory of undeveloped land. The escalation in land prices is also a result of Redding's heightened statewide desirability as a place to reside. Market factors, such as public demand, influence prices on all consumer goods including land regardless of relative availability.

B. Cost of Development

The cost of development is comprised of four major components; land, fees, material and labor, and financing. Of these, material and labor costs make up the bulk of the development cost followed by land, fees, and financing costs. Table 8 illustrates the typical construction costs for a 1500-square-foot, three-bedroom home in the City of Redding. These same development factors would affect development of multi-family units as well.

Average construction costs in the City of Redding in 1992 range between \$65 and \$95 per square foot for single-family residential construction, and \$45 and \$65 per square foot for multi-family construction.

TABLE 8

COST OF DEVELOPMENT, REDDING Single-Family Detached (1,500 Square Feet)	
LAND = Includes Development Fees of \$1,573.00	\$35,000 to \$55,000 (With Improvements)
CONSTRUCTION - \$75/SF @ 1500 SF = Includes: Construction Fees of \$7,648 Materials Labor Profit & Overhead	\$112,500
CONSTRUCTION FINANCING = Interest on Construction Loan	\$3,500
PRICE TO BUYER =	\$151,000 to 171,000
Source: City Planning Department, January 1992	

C. Availability of Financing

According to the Shasta County Board of Realtors, competitive financing is generally available for properties within the City of Redding, regardless of location, for both residential construction projects and home purchase. They report there is no indication of discriminatory lending practices based on property location within the City limits. The interest rates for financing the cost of construction, as well as for long-term home financing, have widely fluctuated over the past 10 years. From 17-18 percent during the late 70's and early 80's to the dramatically low rates (8-9 percent) of the past twelve months, this single factor plays a major role in the affordability of housing. In the previous section on Housing Cost (IIIA1), the effect various interest rates have on the ability of low- and moderate-income households to purchase a home is explored.

Financing for remodeling or rehabilitation of existing structures is also reported by the Board of Realtors and local lenders to be readily available to qualified borrowers throughout the City. Commercial lenders offer home equity loans at a slightly higher interest rate (10 - 12 percent) than primary mortgages. These rates reflect the slightly greater risk involved in extending credit secured by a second (or greater) mortgage. In addition to credit history, standard factors taken into con-

sideration for this type of loan are: 1) existing equity in the property and; 2) ability of the loan recipient to repay the increased debt. Many older homes in need of repair are owned by low- and moderate-income families. These families in many instances have a difficult time meeting commercial lenders' debt-to-value criteria, as well as having difficulty with meeting the income requirements necessary for repayment of the loan. In order to mitigate this constraint, the City offers a variety of rehabilitation loan programs to assist the low- and moderate-income homeowner with necessary repairs. The funding sources for these programs range from local redevelopment funds, State housing rehabilitation funds, to a variety of Federal Housing and Urban Development grant programs. All programs are available Citywide and strive to meet the widest variety of housing needs possible.

VI. ENERGY CONSERVATION OPPORTUNITIES

The need to conserve and efficiently utilize energy supplies, as well as to develop alternative energy sources, has been recognized by both government and industry experts. Short- and long-range solutions to energy problems involve changes in energy-consumption patterns and require willingness on the part of Americans not only to use less energy but to make qualitative changes or adjustments in their lifestyles. Examples include changes in consumer preferences such as the use of smaller and more energy efficient cars, increased use of public transportation and shifts to modified or new types of housing that are more energy efficient.

The City of Redding Electric Department is the major provider of electrical power within the City limits. Occasionally, newly annexed areas will continue to receive electrical service from a previous provider until such time as the customers are transferred over to the City electrical service.

The City of Redding Electric Department reports that in 1988, the City's electric load was 154 megawatts, an increase of 30 percent from the electric usage in 1981. It further projects the City's peak load to grow by approximately 53 percent through 1997.

As stated in the 1988 City of Redding Electric Resource Plan, any forecasts of the City's future need for electricity are dependent upon the effectiveness of conservation and load management programs. The City has embarked on a vigorous campaign to develop future cost-effective programs and projects. The City employs a full-time energy conservation specialist to promote community energy awareness and conservation. Current conservation efforts and programs are listed below:

- A. Residential energy audits and general conservation information and materials. Lending program of recording meters to monitor the electrical usage of various appliances.
- B. Air Conditioning Load Management Program to reduce peak electrical capacity during the summer months.
- C. Swimming Pool Load Management Program to encourage the use of swimming pool equipment during off-peak hours.
- D. Load Curtailment Program promotes the voluntary reduction of electrical usage by large-use customers and by the general public.
- E. Street Light Conversion Program is replacing less efficient mercury vapor street lamps with more efficient high-pressure sodium lights.
- F. Enforcement of mandatory energy efficient building and appliance standards for both commercial and residential construction continue to reduce the energy consumption of space heating, air conditioning, water heating, etc.

- G. Residential rehabilitation programs for private and rental housing require inclusion of energy conservation retrofits and/or repairs when at all feasible. Typical upgrades include insulation, weatherstripping, installation of dual pane windows, and provision of newer, more energy efficient heating and cooling systems.

In addition to the City of Redding, the second primary provider of energy within the City limits is The Pacific Gas and Electric Company (PG&E). PG&E is the sole provider of natural gas within the City limits and as discussed previously, continues to provide electric service to several of the City's newly annexed neighborhoods. PG&E is also actively involved in promoting conservation of energy resources. Its current efforts include:

- A. Home energy audit service is available to all PG&E customers at no cost.
- B. Direct Weatherization Program provides for inspection of residences owned or rented by low-income families. The primary goal of the program is to improve the energy efficiency of existing structures. Both inspections and installation of recommended weatherization materials, i.e., weatherstripping, insulation, etc., is provided at low or no cost to eligible customers.
- C. Ceiling Insulation Rebate Program provides a direct cash rebate to eligible customers as an incentive to upgrade existing insulation R factors.

VII. GOALS AND POLICIES

Housing Element law requires that a community set forth in the Housing Element a statement of its goals and policies relative to the maintenance, improvement, and development of housing. This section identifies six primary goals and their accompanying policies. These goals and policies will serve to guide the actions of the City of Redding over the next planning period in regard to its identified housing needs.

Goal 1: Improve and Conserve the Existing Housing Stock

Policies

1. Encourage the private rehabilitation of housing.
2. Continue to apply for Federal and State funding to rehabilitate substandard housing.
3. Require the abatement of unsafe structures, giving property owners ample opportunity to correct deficiencies.
4. Establish a code enforcement program to conserve the existing housing stock.
5. Preserve the stock of Single-Room Occupancy Units (SROs) by encouraging ongoing rehabilitation of these units.

Goal 2: Encourage The Provision of Affordable Housing

Policies

1. Encourage the construction of affordable housing units utilizing all available federal and state programs.
2. Support the Redding Housing Authority's efforts to secure all rental housing subsidies made available to the community.
3. In accordance with State law, provide density bonuses and other incentives such as cost saving development concessions to encourage the private development of affordable housing.
4. Develop working partnerships with other community providers of housing services in order to increase affordable housing opportunities.
5. Preserve future housing affordability in units which have been assisted through the Rental Rehabilitation Program by requiring rent affordability agreements for the term of the public financing.
6. Actively support HUD's "Joint Venture for Affordable Housing" efforts by entering into partnerships with private developers wanting to build affordable units.

7. Continue to monitor all regulations, ordinances, departmental processing procedures and fees related to the rehabilitation and/or construction of dwelling units to assess their impact on housing affordability.

Goal 3: Promote Adequate Sites For All Types Of Housing

Policies

1. Maintain an adequate supply of residentially classified land to meet residential housing needs based on projected growth rates and as a stabilizing factor for land prices.
2. Allow the mixed use of commercial/residential development in the core area of the city.
3. Maintain and periodically update the City's inventory of existing structures, as well as vacant or under-utilized land which would be appropriate for specialized residential uses (ie shelters, group homes etc.).
4. Use redevelopment powers or other appropriate mechanisms to acquire and/or assemble sites for residential purposes.

Goal 4: Support a Mix of Housing For All Income Groups

Policies

1. Promote and encourage homeownership for all income levels and utilize available federal, state, and local resources to achieve this end.
2. Support the use of tax-exempt revenue bonds for housing developments and provide standards for the occupancy of such housing to include all income levels.
3. Support the use of Mortgage Credit Certificates for low- and moderate-income first-time homebuyers.
4. Encourage a mixture of housing types (single-family attached/detached, condominiums/townhouses, duplexes, garden/conventional apartments, group quarters) through current zoning ordinance and planning practices.
5. Encourage development of housing for groups with special needs; such as the elderly, and the handicapped.

Goal 5: Promote Equal Housing Opportunities

Policies

1. Promote the nondiscrimination enforcement activities of the State Department of Fair Employment and Housing.

2. Continue to support programs which promote and require accessibility and adaptability of housing for the handicapped.
3. Support the establishment of shelter facilities (both emergency and transitional) for the area's homeless population.
4. Allow group quarter housing in all residentially zoned neighborhoods.

Goal 6: Encourage Energy Conservation

Policies

1. Promote public awareness of cost-saving energy conservation measures offered by utility providers for new and existing housing units.
2. Enhance public awareness of landscaping measures that promote resource conservation and energy cost-savings for new and existing housing units.
3. Require weatherization measures be taken on all residential property participating on any City rehabilitation programs.
4. Require the use of energy conservation features in the design and construction of all new residential structures to increase energy efficiency and reduce housing costs.

VIII. FIVE-YEAR ACTION PROGRAM

A. Review of Previous City Housing Element

A required part of the Housing Element update process is the undertaking of an in-depth review of the community's progress towards reaching its stated housing goals. This review generally consists of an evaluation of the actual achievements accomplished over the elapsed five-year planning period, an evaluation of the stated housing goals, policies, and objectives of the past Element to determine continued appropriateness, and an evaluation of the effectiveness of the past Element towards achieving the community's housing goals and objectives.

The Housing Element upon which this update is based was adopted by the City Council on April 16, 1991 (Resolution No. 91-161).

Due to the requirements of new State law, the present update is being undertaken much sooner than would normally occur. For that reason, the mandatory review will evaluate achievements which have occurred over the past seven-year period, 1985 - 1991.

Housing program efforts which resulted in housing units being constructed, conserved, or rehabilitated over the seven year period, 1985 - 1991, both through private endeavors and through public program assistance efforts will be discussed.

While the Housing Element adopted in 1991 listed specific quantified objectives, the previous Element, adopted in September 1984, did not set forth quantified objectives against which to evaluate progress. Program accomplishments over the past seven years are listed individually in Section IX C, along with proposed program modifications to be implemented during the next five-year planning period. Cumulative accomplishments for the period January 1, 1985 through December 31, 1991, within the three housing activity categories: construction, rehabilitation, and conservation, are listed in Table 9 below.

TABLE 9

ACCOMPLISHMENTS (1985 - 1991)							
Type	Number of Units		Total	Affordable to:			
	With Program Assistance	W/O Program Assistance		Very Low	Low	Mod	Above
Housing New Construction:	670	6,688	7,358	69	155	2,451	4,688
Housing Rehabilitation:	748	1,400 est.	2,148	305	284	1,060	499
Housing Conservation:	679	Unknown	679	515	49	100	15

New Construction Activities

The past seven years have seen unprecedented levels of new housing construction in the City. Approximately 7,358 new housing units were added to the City's housing stock; 71 percent in the form of single-family units, 28.5 percent as new multi-family units, and less than 1 percent in the form of new mobilehome units. (Note: Mobilehome units are only counted in the Building Department statistics if placed upon a permanent foundation. Those added to mobilehome parks are not counted.)

The City's efforts to stimulate affordable housing development through its Density Bonus Program and through the use of existing Federal and State financing programs met with some success although less than anticipated. Forty-nine units of senior/disabled housing were developed utilizing a combination of both federal and local funding; 3 projects participated on the Density Bonus Program resulting in 309 new multi-family units; 212 units of manufactured housing were developed for occupancy by seniors under the HUD-sponsored Joint Ventures for Affordable Housing Program; and 100 units of senior congregate housing were developed with financing by a Rental Housing Revenue Bond issue from the Redding Housing Authority.

The Density Bonus Program, while in existence since 1984, has not been widely used by the local development community. For the upcoming planning period, marketing efforts will continue to be made to publicize the benefits of the program to local developers and to explain the recent changes to the program which make affordable development more feasible. Interest in the program has been increasing over the past six months and several possible projects are being formulated by local developers.

New opportunities for affordable housing development will be available during the upcoming planning period through Federal HOME funding. The City will submit an application for these funds in September 1992 and each year thereafter as funds are available. The City will continue to use both its CDBG grant funds (Program 2.4) and its redevelopment LMIHF (Program 2.8) to finance affordable housing development projects. In May 1992, the City committed \$148,070 of its FY 92 - 94 CDBG grant to two new affordable housing projects. A \$78,000 funding request for the use of the LMIHF on a third proposed affordable housing project is currently being processed by the Redding Redevelopment Agency. The current lower-interest rates for mortgages should also help to stimulate development in the affordable housing market, as well as to open the doors for more lower-income households to become homeowners. In addition, in June 1992, the City Council sitting as the Redding Housing Authority established a non-profit housing development corporation (RHDC) which will pursue the development of affordable housing within the City of Redding (Program 2.11). Several local non-profit organizations have also expressed an interest in development of affordable housing within the community in the near future (Program 2.12). To date, affordable projects have been proposed for seniors, handicapped households, lower-income families, and homeless families during the planning period. These combined efforts should result in significant progress towards the City's affordable housing goals over the next five year planning period.

The ability of both private and public developers of affordable housing to reach projected goals over the next five years will be dependant upon many factors, including continued availability of local, state, and federal low-cost financing for affordable housing development, public approval through the referendum process of local and state financed projects, continued availability of low-interest private financing and motivated local lenders due to the Community Reinvestment Act, and continued availability of appropriately zoned land. The quantified objectives contained within the Housing Element assume that these critical factors will improve over the planning period. The numbers projected in Table 10 for new construction are based upon these assumptions. As local entities gain experience in the development of new affordable units, it is anticipated that more ambitious projects will be undertaken. The projected numbers are considered to be realistic.

A significant detriment to the increase of affordable housing opportunities within the community occurred recently when a ballot measure seeking referendum authority for affordable housing projects utilizing public financing was placed on the ballot in June 1992 and defeated by a 2 to 1 margin. The City will work towards placing another referendum authority ballot measure on the ballot at the earliest opportunity.

Rehabilitation Activities

It is estimated that approximately 2,148 housing units have been rehabilitated in the community over the past seven years. Of these, 748 units were repaired utilizing City administered rehabilitation programs and approximately 1,400 units privately.

The City has administered a very successful housing rehabilitation program for over fifteen years. The cornerstone of the City's efforts has been the Homeowner Rehabilitation Program, primarily funded through the City's Community Development Block Grant Program, with supplemental funding through a variety of local, State, and Federal sources. This program was successful in rehabilitating 283 single-family homes and 55 mobilehomes over the past seven years.

Since 1985, the City has been successful in applying for and receiving over \$1.9 million in Federal Rental Rehabilitation Grant funds. These funds have been used to leverage over \$ 1.7 million in private dollars to rehabilitate 410 rental units which are rented at a rate which is affordable to lower-income households. The City's rental rehabilitation activities suffered somewhat during 1990 when HUD transferred authority to administer the program to the State. Funding delays brought about by this transition forced the local program to lose some credibility and momentum, however, renewed marketing efforts resulted in a more than doubling of the number of rental units rehabilitated utilizing this program in 1991. Although 1992 will be the last year funds will be available for the Rental Rehabilitation Program, a similar rental program will be developed utilizing available HOME funds.

During the past seven years, the City has successfully accessed several other Federal and State sources of funding for local rehabilitation projects, including the 312 Loan Program, the State Deferred Loan Program, and the State Housing Rehabilitation Loan Program for owner-occupied housing. The variety of funding sources allowed the City to participate in projects requiring substantial rehabilitation, which in the past had been ineligible because the cost of rehabilitation exceeded existing local program resources. The continued rehabilitation of the area's existing housing units is considered a priority and will be pursued throughout the upcoming planning period.

Conservation Activities

Activity projections under conservation of the area's housing stock included activities under several programs. Among these were the Section 8 Rental Assistance Program, the Shared Housing Program, the proposed Rent Deposit Guarantee Program, the Downpayment Assistance Program, the Mortgage Credit Certificate Program, and a variety of Federal and State programs anticipated to be utilized by area nonprofit housing service providers.

Over the past seven years, the Redding Housing Authority has been successful in applying for and receiving 485 new Federal and State rental assistance subsidies for the very-low income households in the community. Obviously, competition is strong for the limited program funds available. The Redding Housing Authority will continue to pursue new rental subsidies as HUD or other sources make them available. During 1992, the Redding Housing Authority will be submitting applications to HUD under the HOPE for Elderly Independence Program, the Family Unification Program and the Family Self-Sufficiency Program, as well as to the State for the State Aftercare Program. These applications have the potential to add 135 new rental subsidies per year.

Other conservation efforts, such as the Shared Housing Program and the Rent Deposit Guarantee Program, have been unable to be fully implemented, due to lack of sufficient funding. The Shared Housing Program which relies upon several funding sources to operate, lost financial support from the Shasta County Community Action Agency and the State. In June 1992, the Redding Redevelopment Agency allocated \$18,000 for the operation of the Shared Housing Program during FY 92-93. The Rent Deposit Guarantee Program also ran into funding difficulties during the planning period and as a result was not able to be implemented as expected. For the upcoming planning period, alternative funding sources will be explored for this program.

The Downpayment Assistance Program (DAP) and the Mortgage Credit Certificate Program (MCC) established in 1988 and 1989, respectively, were able to assist a total of 164 low and moderate income households since implementation. These programs continue to be of great help to the community's lower-income first-time homebuyers. Homes in the Redding area have experienced substantial appreciation in recent years. Due to the higher purchase prices involved, DAP loans on the average have become larger also. The annual budget for the DAP program is able to assist a correspondingly fewer number of households. At the present time, approximately 45 households are assisted each year with DAP loans which average \$10,057

apiece. Lower-income households are eligible for DAP loans of up to \$22,000. In September 1991, the City's application was approved by the State for a second issue of Mortgage Credit Certificates totaling \$500,000. These will be distributed through December 1992. In May 1992, the City was successful in its application for a third allocation of Mortgage Credit Certificates totaling \$1,250,000. These can be used through 1993.

During the past seven-year period, local housing service providers were successful in securing funding from a variety of state and federal sources for the acquisition of 30 units of affordable housing. The City participated with additional funding from its Community Development Block Grant for ten (10) of these units. All of the units are being used as transitional facilities for the area's homeless families. During the next planning period it is anticipated that additional units will be acquired both for transitional purposes and for permanent housing. The City has committed \$115,000 out of its Redevelopment Set-Aside Fund to assist a local non-profit agency with the acquisition and rehabilitation of twelve (12) units of permanent rental housing affordable to lower-income households. The purchase will be final in August 1992.

Conservation activities in the upcoming planning period will include activities to preserve the community's affordable housing units which are at risk of converting to market-rate usage during the planning period. The City will also continue negotiations with HUD for the purchase of a 78-unit senior residential hotel which provides needed affordable housing to this vulnerable population group.

B. Appropriateness of Goals, Policies, & Objectives

The City has long been committed to the availability of decent housing for all of its citizens. The basic goals set forth in the 1984 Housing Element are still reflective of efforts being made today. Housing and land use policies have changed as the face of the community has changed over time, as public opinion and desires have changed, and as the economic environment has changed over the past seven years. Current policies reflect a community desire to maintain a clean, energy efficient environment, facilitate the development of housing for all economic groups, and reflect the community's desire to maintain a non-urban, small town appearance. As stated previously, the Housing Element adopted in 1984, did not contain specific quantified objectives against which to judge progress. The Housing Element adopted in 1991, which was substantially revised at that time, set forth objectives which the City has reached to achieve during the short period of elapsed time since that Element and this revision. The updated Housing Element continues to project community housing goals, policies, and objectives which are similar to the 1991 Housing Element. These directives, which reflect an acute awareness of the essential nature of decent, affordable housing will set the direction and focus of the City's housing efforts over the next five (5) year planning period, 1992 - 1997. During this period, the City will pursue the provision of affordable housing through a multi-faceted strategy which includes both moderate and

substantial rehabilitation of the existing housing stock, provision of direct rental subsidies for those groups with the most need, conservation of the community's existing affordable housing stock, and construction of affordable housing units.

C. Implementation Programs and Quantified Objectives

The following section sets forth the schedule of actions the City of Redding is undertaking or intends to undertake within the current planning period in order to implement the previously listed policies and achieve the community's stated housing goals. Included within most action/program descriptions is a quantified objective which states the progress towards the goal the City expects to accomplish during the planning period. Each program description also lists actual accomplishments of the individual program over the past seven years and any proposed changes to the program to be implemented during the current planning period. New programs authorized under the Cranston-Gonzalez Affordable Housing Act of 1990 have been discussed as well as anticipated funding levels for these programs.

Table 10 is a summary of the number of units expected to be constructed, rehabilitated, or conserved both privately and through implementation of the programs contained in this section over the next five years:

TABLE 10

SUMMARY OF PROJECTED HOUSING ACTIVITIES 1992-97							
Type	# Units With Program Assistance	# Units Private Development	Total	Affordable to:			
				Very Low	Low	Mod	Above
Housing New Construction:	950 (Programs 2.1-2, 2.4-5, 2.8-9, 2.11-12, 4.1)	7,100	8,050	710	240	2,485	4,615
Housing Rehabilitation:	675 (Programs 1.1-3, 6.3)	1,000	1,675	265	305	305	800
Housing Conservation:	1,437 (Programs 1.7-8, 2.3, 2.6-9, 4.2-3, 5.3, 5.6-11)	Unknown	1,437	1,000	222	215	0

Goal 1: Improve and Conserve the Existing Housing Stock

1.1 Program Name: Homeowner Rehabilitation Program

Program Description: The City currently operates a comprehensive housing rehabilitation program which is available City-wide to homeowners who are at moderate-income level or below. Eligible activities include basic code related repairs; weatherization improvements; site improvements such as curbs, gutters, and sidewalks; as well as some general property improvements. The CDBG funded rehabilitation program was established in 1975. Over 516 single-family homes have been rehabilitated utilizing this program, 203 of these units in the past seven year period.

Redding Redevelopment Agency Housing Set-aside funding was added to the program in 1987. Forty-six units have been rehabilitated utilizing RRA funds. Other State and Federal financing has assisted another 75 units undergo rehabilitation. Because of the wide variety of funding sources for this endeavor, the City is able to offer a variety of financing terms and conditions ranging from low-interest (3-5%) deferred payment loans, below market-rate interest (8%) amortized loans, and 10-15 year emergency deferred low-interest loans.

Funding/Administration: Funding for the above rehab programs comes from the following sources: Community Development Block Grant funds (1991 - \$157,000); Redding Redevelopment Agency housing set-aside funds (1991 - \$200,000); State Owner-Occupied Housing Rehabilitation Program funds (1991 - \$176,000); as well as the Rehabilitation Revolving Loan Fund (approximately \$180,000 - \$250,000 per year). The latter fund consists of amortized payments and lump sum payoffs on existing CDBG rehabilitation loans. Funding from all current sources, except redevelopment and the Revolving Loan Fund, is on a yearly, competitive application basis to either the state or the federal government. The City will apply for all appropriate new sources of funding for rehabilitation of the existing housing stock. Local administration is through the Housing Division of the Planning and Community Development Department.

Proposed Changes: None anticipated.

Objective: To rehabilitate 55 single-family homes per year. Of these, approximately 12 (22%) will be very-low income homeowners, approximately 28 (51%) will be low-income homeowners, and approximately 15 (27%) will be moderate-income homeowners.

Time Frame: FY 92 - 97

1.2 Program Name: Rental Rehabilitation Program (RRP)

Program Description: This program consists of a stipulated grant provided to owners of rental property in order to elevate property to local acceptable dwelling standards. The program requires the owner match the grant portion with private funds in order to cover the cost of repairs. Owners agree to maintain the property as rental stock for a period of ten years and affirmatively market available units to low-income families to assure affordability. Over 400

units throughout the City have been rehabilitated utilizing this program. 1991 program budget - \$400,000. Anticipated 1992 program budget - \$125,000. Since implementation in 1985, over 1.6 million dollars in RRP grant funds have been committed along with over 1.7 million in private rehab dollars.

Funding/Administration: HUD Rental Rehabilitation Program funds are administered on a state-wide basis through the State Department of Housing and Community Development. Application is made on an annual, competitive basis to the State. It is anticipated that this program will not be funded by HUD beyond FY 92.

Local administration of the program is through the Housing Division of the Department of Planning and Community Development.

Proposed Changes: Federal funding for this program will end in FY 92. A similar program will be designed utilizing available state or HOME funding.

Objective: To rehabilitate 65 rental units by the end of FY 92, which are anticipated to be occupied by approximately 34 (52%) very-low income households, 25 (38%) low-income households, and 6 (9%) above lower-income households. An application will be made for all available HOME funds starting in FY 92-93 for approximately \$400,000.

Time Frame: FY 92 - 97

1.3 Program Name: **Mobilehome Repair Program**

Program Description: This program provides rehabilitation grants for low-income mobilehome owners. Basic health and safety-related repairs are eligible. Assistance is given in the form of a grant not-to-exceed \$1,500 per household. This program was developed to assist mobilehome owners who were not eligible for the rehabilitation loan program due to lack of equity or the fact that the mobile is located in a mobilehome park. The grant funds can be combined with Social Security Special Circumstance funds to increase the individual project amount to \$3,000.

This program has been in operation since 1989 and averages 10 - 15 units per year.

Funding/Administration: Funding is through the City's Community Development Block Grant Program administered locally by the Housing Division of the Department of Planning and Community Development. Special Circumstance funds are administered through the Shasta County Department of Social Services.

Proposed Changes: The program has been expanded substantially for FY 92-93 and 93-94 in order to assist a larger population group and to undertake a wider range of repairs. It is proposed that low-interest loans be utilized instead of the current grant in order to establish a self-sustaining revolving loan fund for future years. In addition, it is proposed that the size of the loan be increased from \$1,500 to a maximum of \$5,000. This would allow the program to extend the scope of its services to cover more costly repair work. It is also proposed to target all lower-income mobile-home owners rather than just the very-low income group currently served.

Objective: To rehabilitate a minimum of 15 mobile home units per year. All of these will be lower-income households.

Time Frame: FY 92 - 97

1.4 **Program Name: Rehabilitation Loans for Affordable Housing Units Acquired by Non-profit Organizations**

Program Description: In 1991, the City of Redding expanded its CDBG-funded Rehabilitation Loan Program to include rehabilitation loans to non-profit organizations who have acquired affordable housing units. The purpose of the loan program was to enhance the affordability of the units by keeping the overall debt service costs to the non-profit owners as low as possible. The savings would then be passed on to the lower-income tenants by way of lower, affordable rents. Marketing materials will be developed and the benefits of the loan program will be promoted to area non-profit organizations. It is anticipated that this loan program will be utilized throughout the planning period.

Funding/Administration: Loans made under this program will be funded through the City's CDBG Housing Rehabilitation Revolving Loan Fund. Administration is by the City of Redding Housing Division.

Proposed Changes: None proposed.

Objective: To assist in the provision of affordable housing units.

Time Frame: FY 92 - 97

1.5 **Program Name: California Housing Rehabilitation Program - Rental**

Program Description: Program currently provides assistance for the acquisition and rehabilitation of multi-family rental units, including single-room occupancy units. The owner must agree to reserve a minimum of 30% of the acquired units for occupancy by lower-income households. In addition, the contract rent for the "assisted" units must remain at an affordable level for the term of the financing. The City will continue to make information available to interested developers regarding this form of financing as a way of stimulating the private development of affordable housing units within the community.

Funding/Administration: Funding is through the State Department of Housing and Community Development. Interested participants apply directly to HCD. The City's involvement consists of information, referral, and application assistance in individual cases if needed.

Proposed Changes: None proposed.

Objective: To inform local rental property owners of the availability of this source of rehabilitation financing.

Time Frame: FY 92 - 97

1.6 Program Name: **Abatement Program**

Program Description: This program provides for the abatement of hazardous properties/structures through a multi-phased hearing process. Upon initiation of the abatement process, owners are instructed to cure subject properties/structures of the hazardous conditions. Ultimate action by the City upon noncompliance of the owner is to remove the offending structure or condition from the property. Since 1985, approximately 84 units have been subject to abatement proceedings. The great majority of these were able to be resolved prior to demolition of the structure by the City.

Funding/Administration: Funding for the hearing process is part of the operating budget of the Planning and Building Departments. The program is overseen by the City Attorney and City Building Official.

Proposed Changes: In order to facilitate the availability of safe, sanitary housing for residents of Redding, the City will work with local non-profit housing advocates to consider establishing a pro-active code-enforcement program for existing rental housing. Current State law prohibits owners of substandard rental dwellings cited for code violations from taking State income tax deductions for interest, taxes and depreciation. Extra tax revenues collected under this provision are able to support local governments in their code enforcement efforts.

Time Frame: FY 92 - 97

1.7 Program Name: **Conservation of the Lorenz Hotel**

Program Description: The Lorenz Hotel, a 78-unit senior residential hotel located in downtown Redding, is currently being considered for purchase by the City of Redding. The hotel was acquired by HUD in 1991 through a foreclosure action. The hotel is an important source of affordable housing for low-income seniors and disabled persons in the City. The City and the Redding Housing Authority are in the process of negotiating a possible purchase with HUD.

Funding/Administration: If purchased by the City, the hotel would be under the administration of the Redding Housing Authority. It is anticipated that a private rental management firm would be contracted with for day-to-day administration of the hotel.

Proposed Changes: New Activity.

Objective: To conserve 78 units of affordable senior housing.

Time Frame: FY 92 - 93

1.8 Program Name: **Conservation of Units at Risk**

Program Description: During the planning period a variety of housing units in the community are at risk to convert to non-low-income use. These units represent a sizeable portion of the current affordable housing inventory in the City. In order to limit the loss of these units to the community, a number of actions will be undertaken. Section II-I describes these actions as they apply to each at-risk project.

Funding/Administration: The activity will be undertaken by the Housing Division of the Department of Planning and Community Development. See discussion in Section II-I regarding possible funding sources for activity.

Proposed Changes: New Activity.

Objective: To conserve 174 multi-family units.

Time Frame: FY 92 - 97.

Goal 2: Encourage The Provision of Affordable Housing

2.1 Program Name: Density Bonus Program

Program Description: The current program allows for density bonuses of 25% over the maximum land density specified in the general plan plus additional concessions if needed to enhance affordability of the project or provision by the City of other incentives of equivalent financial value. Eligible projects are those consisting of 5 or more units where the developer is either: a) reserving 20% of total units constructed for lower income households; or b) reserving 10% of total units constructed for very-low income households; or c) reserving 50% of total units constructed for seniors. There have been three projects which qualified for density bonuses since 1984. A total of 309 units were built, with approximately 20% available for occupancy by lower-income households. In 1990, the Density Bonus Program underwent major revisions. These revisions ensure a greater number of affordable units than in the previous version of the program.

Funding/Administration: City contributes planning staff time for permit processing. Monitoring the compliance of developers to the requirements of the density bonus is the responsibility of the Housing Division.

Proposed Changes: In order to increase developer participation during the upcoming planning period, the Density Program will be actively marketed to the development community through a multi-media approach. Other communities in the State which have successfully utilized a similar program will be consulted and appropriate changes to the local program will be considered based upon these successful models.

Objective: To facilitate the construction of a minimum of 50 affordable housing units per year.

Time Frame: FY 92 - 97

2.2 Program Name: Joint Ventures for Affordable Housing Program (JVAHP)

Program Description: The JVAHP is a collective effort among public and private sector groups who share a commitment to the creation of more affordable housing, and are linked through a series of coordinated projects and activities. The JVAHP encourages housing development cost reductions through such regulatory concessions as reduced site development standards, expedited processing procedures, increased densities, and the use of new and improved technologies. The City will consider partnerships with developers proposing construction of affordable units under HUD JVAHP guidelines on a per project

basis. One project, a 212-unit Planned Development for seniors has been undertaken utilizing this program.

Funding/Administration: The loss of revenues due to any proposed fee reductions will be considered on a case by case basis. Most concessions are likely to be in the category of adjusted development standards and should not result in an added cost to the City. Local administration of the program is through the City Department of Planning and Community Development.

Proposed Changes: None proposed.

Objective: To inform the private development community of the availability of Planned Unit Development guidelines and to encourage its use.

Time Frame: Ongoing program, City will consider developer proposals on a case-by-case basis.

2.3 Program Name: HUD Section 8 Rental Assistance Program

Program Description: Provides rental assistance to very-low income seniors/disabled individuals and families. Assistance is given on a priority system basis.

Funding/Administration: Funding is received directly from HUD for eligible participants. Local administration of the program is through the Redding Housing Authority. The 1991-92 budget for the Housing Authority is \$3.5 million. A total of 937 rental subsidies are currently administered by this office and another 419 project-based rental subsidies are administered directly by HUD.

The Housing Authority has experienced continuous growth over the past 10 years. Today's rental assistance program revenue is tenfold as large as that in 1980. Since 1985, the Housing Authority has been successful in bringing 485 new subsidies to the community. This growth is due primarily to the Housing Authority's aggressive pursuit of all HUD rental subsidy programs. The City has made and will continue to make application to HUD at every available opportunity in order to secure new subsidies for the very low-income renters of the community.

Proposed Changes: Constant monitoring of the priority system will continue to assure that eligible households are served in as timely and equitable manner as possible. Periodic adjustments in procedures, etc. will be made as necessary.

Objectives: To serve an additional 75 households each year.

Time Frame: FY 92 - 97

2.4 Program Name: Construction of New Affordable Multi-Family Dwellings

Program Description: The City will continue to support the development of new affordable multifamily projects within the City of Redding by both for-profit and non-profit developers. The City will provide direct financial support to these projects through the use of its CDBG funds, its redevelopment LMIHF, and its HOME funds. During the next two year period, the City has committed \$148,070 of its FY 92-94 CDBG grant for new affordable housing projects.

The City will also provide technical assistance if needed, on applications for funding under the federal 202 and 811 programs. The City has participated in the past with developers of affordable housing in the issuance of mortgage revenue bonds and will consider similar partnerships in the future. The City, through the Redding Housing Development Corporation, will develop a minimum of 20 affordable multi-family units during FY 92-93, and a minimum of 40 affordable units each year thereafter. In order to realize these new construction goals, the City will apply for all available sources of funding which can be utilized for development of affordable units. The City will apply during FY 92-93 for approximately \$500,000 in HOME funds to be used for new construction. Two multi-family projects with a total of 149 units have been constructed over the past seven years utilizing the above forms of financing. Approximately 69 of these units are set aside for occupancy by lower-income households. Affordability of units will continue to be the focus of all of these programs in the future.

Funding/Administration: Funding is available to developers through a variety of sources for affordable housing projects. The City, through its Planning and Community Development Department, acts as a resource to private developers seeking information regarding these sources and, if necessary, will assist in the application process. Planning staff, contracting with the newly established Redding Housing Development Corporation, will also be aggressively pursuing direct funding for RHDC projects.

Proposed Changes: Emphasis will be given to seeking out all available sources of development financing for new affordable housing projects. Funding made available by the Community Reinvestment Act, private foundation funding sources, as well as local, state, and federal financing sources will be pursued.

Objectives: To provide information and technical assistance regarding these programs to the local development community. To apply for funding as available. It is anticipated that a minimum of 700 new affordable units will be developed through local non-profit entities during the planning period.

Time Frame: FY 92 - 97

2.5 Program Name: **Low-Income Tax Credit Program**

Program Description: Federal and State tax credits for eligible low-income rental housing projects are currently available by application to the State Mortgage Bond Allocation Committee. Strong consideration is given to projects which target special groups such as large families, homeless or the at risk population. The City will act as an information and referral service to interested developers regarding available tax subsidies. Developers of new rental construction projects or existing rehabilitation projects apply directly to this State committee for consideration. It is anticipated that the use of this mechanism will increase the number of affordable units available in the community.

Funding/Administration: Funded and administered at the State level. Local involvement is as a source of program information only.

Proposed Changes: In order to make the development of affordable housing as cost effective as possible, the City will lobby for continued state and federal approval for this program.

Objectives: To provide information regarding this program to the local development community.

Time Frame: Implementation is dependent on continued Congressional approval.

2.6 Program Name: **Shared Housing Program**

Program Description: The Shared Housing Program attempts to match those who have housing to share with low-income households who need housing. The program is especially successful in working with the elderly and/or handicapped population group but is not restricted to those clients. Between 1988 and 1991, the Shared Housing Program (Project Match) has made 142 housing matches.

Funding/Administration: Funding during FY 87 - 91 had been provided, in part, through the Redding Redevelopment Agency's housing set-aside funds. Operation of the program is contracted to the Golden Umbrella, a local non-profit agency. For FY 92 - 93, program funding will be provided through the Shasta County Housing Authority (\$9,000), a United Way Grant (\$9,000), and the Redding Redevelopment Agency (\$18,000).

Proposed Changes: Permanent funding for this program will be pursued during the planning period.

Objectives: To provide housing shelter assistance to 100 very-low income City of Redding households.

Time Frame: FY 92 - 93.

2.7 Program Name: **Rent Deposit Guarantee Program**

Program Description: Program provides security deposit funds including last month's rent if required for very-low income homeless families to enable them to establish a permanent home. Assistance is in the form of a guarantee to participating landlords that the household will pay the required deposit on an installment basis. No funds are utilized from the guarantee account unless the household defaults on the required payments.

Funding/Administration: Funding sources for the program are being researched.

Proposed Changes: Permanent funding for this program will be pursued during the planning period.

Objectives: To assist homeless households with move in costs associated with securing permanent housing.

Time Frame: FY 93 - 97

2.8 Program Name: **Redevelopment Low-Moderate Income Housing Set-Aside Fund**

Program Description: State law requires redevelopment agencies to provide 20% of their tax increment income to improve housing opportunities for low- to moderate-income persons. In fiscal year 90 - 91, the Redding Redevelopment Agency expended LMIHF set-aside funds to operate the Homeowner Rehabilitation Program (see Program 1.1), the Downpayment Assistance Program (Program 4.2), the Mortgage Credit Certificate Program (Program 4.3), and the Shared Housing Program (Program 2.6). Other programs funded through this fund have included the Rent Deposit Guarantee Program (Program 2.7), and multi-family new housing development (Program 2.4).

Funding/Administration: Approximately \$500,000 in funding is provided annually through the Redevelopment Agency's tax increment income. Local administration is through the Housing Division of the Planning and Community Development Department.

Proposed Changes: This fund will be a primary source to leverage non-local funding for affordable housing development. Project proposals will be considered on a case-by-case basis and funding priority will be given to those development projects which assist the greatest number of lower-income households, leverage the greatest amount of outside funding, are located within a redevelopment project area, and address community housing needs as identified in the Housing Element, the Comprehensive Housing Affordability Strategy, and the Redevelopment Housing Plan.

Objectives: Overall objective is to improve housing opportunities for low- to moderate-income persons. Quantified objectives for programs funded through this source are listed under the individual program descriptions.

Time Frame: FY 92 - 97

2.9 Program Name: **HOME Investment Partnership Act**

Program Description: The HOME program was included as part of the Cranston-Gonzalez National Affordable Housing Act of 1990. The legislation authorized funding to states and local governments to provide incentives to develop and support affordable rental housing and homeownership opportunities. Eligible activities include: real property acquisition, rehabilitation, and construction of affordable housing. Distribution of HOME funds is by formula based upon a variety of measures including local housing market factors, local housing stock conditions, cost of producing housing in the local market, and extent of poverty in the community.

Funding/Administration: The City of Redding at this time does not qualify to receive an automatic formula HOME allocation from HUD. The City of Redding will apply on a competitive basis for HOME funds through the State of California in September 1992. The City will apply for approximately \$500,000 in funding to be used for affordable housing construction, approximately \$500,000 in funding to be used for rehabilitation of existing rental units, and approximately \$100,000 in funding for tenant-based subsidies.

Proposed Changes: None (New program).

Objective: To apply for approximately \$1.15 million in funding during FY92-93. To increase the availability of affordable rental housing in the community and to develop homeownership opportunities for lower income households.

Time Frame: FY 92 - 97

2.10 Program Name: **HOPE I,II,III**

Program Description: The HOPE grant program is designed to increase homeownership for lower-income households through resident purchase of public housing, purchase of vacant or foreclosed properties held by the government, and purchase of distressed properties held by FHA. At this time, there is no publicly owned housing in the community. According to local real estate sources, few, if any, housing units in the community are classified distressed or are held by the government through foreclosure.

Funding/Administration: Funding would be through competitive application to HUD by local entities, nonprofit organizations, and resident organizations.

Proposed Changes: None (New program).

Objective: It is anticipated that the City will submit an application for funding through the HOPE III program during the planning period. At this time it is not known when applications will be accepted or for what amount. HUD has indicated that more complete program information will be forthcoming later in 1992.

2.11 Program Name: **Redding Housing Development Corporation (RHDC)**

Program Description: Under the sponsorship of the Redding Housing Authority, the RHDC is a newly created local non-profit organization organized solely for the development of affordable housing in Redding.

Funding/Administration: The RHDC will pursue development and administrative funding from all appropriate local, state, federal, and private sources. The RHDC will contract with the City of Redding for staff services on its development projects. The RHDC has applied for and received \$110,920 in City CDBG grant funds for land acquisition and staff development costs associated with its first 20 unit project. HOME funds and LMIHF funds in the amount of \$1,000,000 will be sought during FY 92-93.

Proposed Changes: None (New program).

Objective: To facilitate the development of affordable housing units within the City of Redding. The RHDC will develop a minimum of 200 units of affordable housing over the next five year planning period.

Time Frame: FY 92 - 97

2.12 Program Name: **Other Local Non-Profit Housing Development Entities**

Program Description: In the past year, several local organizations have been established or have expanded their scope of services to include development of affordable housing in Redding. These entities include Mercy Housing, Northern Valley Catholic Social Services (NVCSS), and Shasta Housing Development Corporation (SHDC).

SHDC is currently undertaking a 100+ unit affordable senior project to be funded through a combination of federal 202 funds and local LMIHF monies. NVCSS is developing an 8 unit affordable housing project. Funding consists of a federal 811 loan and City CDBG funding. Mercy Housing Foundation has indicated an interest in developing an affordable family housing project of undetermined size in Redding in the near future. Funding would likely be from a combination of private and local housing funds. During the upcoming planning period, it is anticipated that these organizations will undertake a variety of affordable housing projects.

Funding/Administration: These groups will pursue development and administrative funding from all appropriate local, state, federal, and private sources. Each entity will administer its individual projects.

Proposed Changes: None.

Objective: It is anticipated that, collectively, these entities will develop a minimum of 500 units of affordable housing over the next five year planning period.

Time Frame: FY 92 - 97

Goal 3: Promote Adequate Sites For All Types Of Housing

3.1 Program Name: **Annexation**

Program Description: The City has an ongoing program of annexation of land area adjacent to existing City boundaries. This allows the City to maintain an adequate inventory of developable land as well as to provide desired city services to previously developed areas.

Funding/Administration: Annexation costs to the City are typically those related to staff time in processing the annexation. Annexation activities are handled through the Planning and Community Development Department.

Objective: It is anticipated that approximately 6,500 acres, or a little over 10 square miles could be annexed during the next 5-10 years.

Time Frame: Ongoing

3.2 Program Name: **Available Land Inventory**

Program Description: As part of the Land Use Element update, an inventory of existing land for residential development was compiled. This inventory will be updated as needed on a regular basis and as part of the element review

process, every five years. The basic inventory may be expanded in the future, to identify underutilized and appropriately zoned land and/or existing structures suitable for developing housing for the elderly, handicapped, homeless, or other identified groups with special housing needs.

Funding/Administration: The land inventory and updates will be compiled as part of the Land Use Element review process by the Department of Planning and Community Development.

Objective: To maintain a vacant site inventory with a potential dwelling unit capacity adequate to house Redding's projected future population, distributed among single-family and multi-family zones.

Time Frame: Ongoing

3.3 Program Name: **Update and Consolidate Area Plans**

Program Description: The City and its Sphere of Influence is divided into planning units called area plans. Over the next ten years, the City will evaluate existing land-use and zoning within these areas. As part of each Area Plan update the City will upzone existing multifamily designated vacant land in order to increase the availability of land suitably classified for multiple family projects. Area Plans containing vacant land within the current City limits with the greatest potential for development of affordable housing will be evaluated early in the action program. A ~~proposed~~ schedule and map is located in Section IIIC.

Funding/Administration: Funding for this long-range planning activity will be through the City's General Fund as well as from the City's CDBG program. The project will be undertaken by the Department of Planning and Community Development.

Objective: To increase the availability of vacant land suitable for development of higher-density, affordable housing projects. There will be 280 acres upzoned to 18+ units per acre over the next ten years: 175 acres by July 1, 1994; and an additional 105 acres by July 1, 2002.

Time Frame: FY 92-02

3.4 Program Name: **Land-Use Intensification Study**

Program Description: The City will undertake the study of current land-use patterns for areas within the urban core of the community in order to identify areas which have the potential for intensification of use due to current underutilization or changing market conditions which may have rendered an area economically obsolete.

Funding/Administration: Funding for this long-range planning activity will be from the City's General Fund. Other sources of financing for the project will also be pursued. Department of Planning and Community Development staff will be responsible for the project's completion.

Objective: To identify and inventory existing sites within the City which would be appropriate for intensification of use. Approximately 25 acres of land will be identified through this process.

Time Frame: FY 92-94

Goal 4: Support a Mix of Housing For All Income Groups

4.1 Program Name: Tax Exempt Mortgage Revenue Bonds

Program Description: Mortgage revenue bonds can be issued by cities or housing authorities to support the development of multi-family or single-family housing for low- and moderate-income households. Bonds can be used for the purchase, rehabilitation, and construction of housing, as well as capital improvements related to housing. Federal and State law requires that a percentage of the total units in an assisted project be reserved for lower income households. Past tax exempt mortgage revenue bond issues by the City have facilitated the development of 100 units of new housing, a percentage of which are available to low- and moderate-income households in accordance with Federal and State law. Issuance of bonds is conditioned upon the affordability of project units for lower-income households.

Because of the expense involved in packaging and processing a bond issue, developers of smaller scale projects will be directed to utilize the services of the California Housing Finance Agency (CHFA). CHFA provides financing for the development of affordable housing through the sale of tax exempt revenue bonds which combine projects throughout the State.

Funding/Administration: Financing would be tax-exempt bonds issued by the City of Redding for specific projects. This type of bond is typically structured, marketed, and sold by the bond underwriters. A selected lender receives the proceeds of the bond sale and originates and services the subsequent loan to the developer.

Objective: To inform the development community of the availability of this source of financing for affordable housing projects. To use the authority of the City and the Redding Housing Authority for the issuance of revenue bonds for financing multi-family housing development projects.

Time Frame: At the present time, the City does not have any developer applications for this type of financing. Developer inquiries would be considered on an individual basis.

4.2 Program Name: Downpayment Assistance Program

Program Description: Program offers assistance with the downpayment required when purchasing a home. Eligible participants must be first-time homebuyers, buying a home in the City of Redding, and be moderate-income or less. Assistance is in the form of an equity-sharing mortgage recorded as a second lien on the newly purchased property. Since implementation in July 1988, the Downpayment Assistance Program has assisted 113 families purchase their first home. Of these families, 33 were low-income households. This program has undergone minor revisions since 1988 in order to reach those population

groups which traditionally have a more difficult time purchasing property. It is anticipated that the current program will continue with no further modifications.

Funding/Administration: Funding is from the Redding Redevelopment Agency's Housing Setaside Fund. The program is locally administered by the Housing Division of the City Planning and Community Development Department. Funding received since 1988 is approximately \$1,300,000. All payoffs on existing DAP loans will go into a revolving loan fund in order to be utilized for further DAP loans. The program is expected to be self-supporting in 5-8 years. The program features a flexible loan maximum allowing the greatest assistance to be given to lower-income households.

Proposed Changes: DAP program regulations are reviewed on an annual basis to ensure that the program is responsive to current housing market conditions.

Objective: To assist 45 low- to moderate-income first-time homebuyers purchase homes per year.

Time Frame: FY 92 - 97.

4.3 Program Name: **Mortgage Credit Certificate Program**

Program Description: The program offers IRS tax credits for low-to-moderate level income first-time homebuyers. It enables the potential homebuyer to qualify more easily for the primary financing on the purchase as well as to realize a substantial tax savings. This program was first implemented in July 1989. Fifty-one households have been issued Mortgage Credit Certificates since that time. The local program features a flexible rate where the greatest assistance is given to lower-income households.

Funding/Administration: Funding for the program is through the City's authorized tax-free bond allocation. Application is made at the state level to utilize MCC tax credits rather than bond authority. Local administration is through the Housing Division of the Planning and Community Development Department.

Proposed Changes: The structure of the program is reviewed annually to ensure that it remains responsive to the local housing market.

Objective: To assist approximately 110 low- to moderate-income first-time homebuyers purchase homes.

Time Frame: Redding's second allocation of \$500,000 can be utilized through December 1992. A third allocation of \$1,250,000 can be utilized through 1993.

Goal 5: Promote Equal Housing Opportunities

5.1 Program Name: **Fair Housing Referral and Information Program**

Program Description: The program provides basic information about fair housing rights to both landlords and tenants. Referrals are made for discrimination in housing complaints to the State Department of Fair Employment and Housing.

Special outreach efforts are made to include groups likely to experience discrimination in housing including minorities, the elderly, the handicapped, and lower-income families. These efforts include providing staff speakers at service agency meetings, and periodic informational mailouts to service organizations. In addition, all tenants and landlords participating on the HUD Section 8 and Rental Rehabilitation Programs are counseled as to fair housing rights and responsibilities. For the 8 month period ending May 31, 1992, the program assisted approximately 293 households with fair housing information.

Funding/Administration: Funding for this program is through the City's Community Development Block Grant Program. Local administration is by the Housing Division of the City Planning and Community Development Department.

Proposed Changes: During FY 1992, the City will negotiate with local providers of legal services to lower-income households to have an independent entity provide the Fair Housing services to City residents.

Objective: To educate the public regarding fair housing law including anti-discrimination regulations.

Time Frame: FY 92 - 97

5.2 Program Name: **Uniform Building Code, Title 24 Handicapped Adaptability/Accessibility Regulations Compliance, Disabled Americans Act Compliance.**

Program Description: Local code enforcement of required handicapped adaptability/accessibility features on new multifamily residential projects containing 5 or more units per building. Proposed projects are reviewed prior to construction for compliance to Title 24 regulations as well as monitored during the construction process.

Funding/Administration: Building permit fees extracted for each project cover a large portion of the cost related to operating the compliance program. Local administration is by the City Building Department.

Proposed Changes: All City administered programs and projects will be reviewed to determine compliance with the recent Disabled Americans Act.

Objective: Title 24 compliance on required new multifamily construction projects.

Time Frame: FY 92 - 97

5.3 Program Name: **Homeless Assistance**

Program Description: Several federal and state programs are currently available to developers of projects designed to shelter homeless persons or families, including those with special needs such as substance abusers, and the physically or mentally handicapped, on an emergency, transitional, or permanent basis. In addition, the City has used and will continue to use its CDBG grant money for a variety of shelter programs. Past projects include a local seasonal emergency shelter, an emergency shelter for battered women

and children, and a 12-unit transitional facility for homeless teen parents. It is anticipated that a variety of local nonprofit service agencies will continue to apply for monies from local, State or Federal sources such as the State Emergency Shelter Program and/or McKinney Act funded programs.

Funding/Administration: Both State and Federal governments have allocated monies to assist in the provision and operation of housing facilities for the homeless. Administration of individual projects will be the responsibility of the nonprofit agency initiating the application.

Proposed Changes: None proposed.

Objective: A minimum of 20 transitional units per year. To establish a permanent, year round emergency shelter which can provide services to a minimum of 50 individuals per night.

Time Frame: FY 92 - 97

5.4 Program Name: **Affordable Housing Task Force**

Program Description: In response to a recommendation made in the City's 1992 Community Needs Assessment Report, the Redding Housing Authority was given authority by the City Council to establish and oversee the Affordable Housing Task Force. The Task Force is charged with studying affordable housing issues, particularly those dealing with local housing development standards and requirements, including density issues, and analyzing the role these play in the development of affordable housing. Specific affordable housing topics to be studied include the City's zoning ordinance as it relates to residential development, current multi-family residential density classifications, development standards including parking requirements, set-back requirements, and the current development and building fee structure. Task Force conclusions including any recommendations of changes or modifications to current policies will be presented to Council in a final report during August 1993.

Funding/Administration: The Task Force will be comprised of local community persons involved in or concerned with the issue of affordable housing, with technical assistance by Planning and Community Development staff, and overseen by the City Council sitting as the Redding Housing Authority.

Proposed Changes: None (New Program)

Objective: To identify and analyze factors which constrain or contribute to the constraint of development of affordable housing within the City of Redding. To present the Task Force findings in a written final report to the City Council by August 1993.

Time Frame: FY 92 - 93

5.5 Program Name: **Zoning Ordinance Revisions**

Program Description: During FY 92 - 93, Planning Department staff will review and revise the language of the City's Zoning Ordinance to specify both transitional housing and homeless shelters as uses in specific zoning categories.

Funding/Administration: The revisions will be overseen by the Department of Planning and Community Development and will be subject to review by the Redding Planning Commission and City Council.

Proposed Changes: None (New Program)

Objective: To bring the City's Zoning Ordinance into conformance with current State law.

Time Frame: FY 92 - 93

5.6 Program Name: **Section 8 Homeless Program**

Program Description: The Redding Housing Authority currently operates a Homeless Program which offers homeless families rent subsidies and a variety of supportive services. The intent of the program is assist the homeless family to achieve stability in their shelter needs. The Redding Housing Authority currently has 15 rental subsidies for use with this program. As families achieve the desired level of stability, they are transitioned to a regular case status and a new homeless family is taken into the program.

Funding/Administration: Funding is by direct competitive application to HUD. The Redding Housing Authority administers the program in the community.

Proposed Changes: None (New program)

Objective: It is anticipated that a minimum of 15 homeless households will be assisted by this program each year.

Time Frame: FY 92 - 97

5.7 Program Name: **State After-Care Program**

Program Description: The Redding Housing Authority currently operates a supportive housing program for persons with mental, developmental, or physical disabilities. The program is able to offer rental subsidies to individuals who are receiving a variety of supportive services through State approved organizations. The program currently has 16 one-bedroom subsidies, 3 two-bedroom subsidies, and one three-bedroom subsidy. An application will be made to the State Department of Housing and Community Development for 25 additional subsidies in FY 92.

Funding/Administration: Funding for the program is received from the State Department of Housing and Community Development. The Housing Authority administers the housing subsidy portion of the program. A variety of service organizations provide the supportive services portion of the program.

Proposed Changes: None proposed.

Objective: To submit an application to the State which, if funded, will provide an additional 25 disabled households with housing assistance to enable them to live independently in the community.

Time Frame: FY 92 - 97

5.8 Program Name: **HOPE for Elderly Independence**

Program Description: This program was developed by HUD as part of the overall HOPE legislation in 1990. It is considered a demonstration program to test the effectiveness of combining rental assistance with supportive services to help frail elderly persons live independently.

Funding/Administration: Funding is by competitive application direct to HUD. The Redding Housing Authority submitted an application for funding to HUD in July 1992. Upon funding notification, the proposed program will be administered by the Redding Housing Authority.

Proposed Changes: None (New program)

Objective: To assist 60 very-low income frail elderly households to live independently in the community per year.

Time Frame: FY 92 - 97

5.9 Program Name: **Family Self-Sufficiency Program**

Program Description: This program was developed by HUD as part of the overall HOPE legislation in 1990. It builds upon the experience of two prior HUD initiatives, Project Self-Sufficiency and Operation Bootstrap. Like these two initiatives, Family Self-Sufficiency strives to assist very-low income households achieve financial independence through a combination of rental subsidies and supportive services.

Funding/Administration: Funding is by competitive application direct to HUD. The Redding Housing Authority submitted an application in January 1992 and was awarded 35 subsidies to be used on the program.

Proposed Changes: None (New program)

Objective: To assist 35 very-low income households per year.

Time Frame: FY 92 - 97

5.10 Program Name: **Operation Bootstrap Program**

Program Description: The Redding Housing Authority currently operates an Operation Bootstrap Program which offers very-low income families rent subsidies and a variety of supportive services in order to achieve self-sufficiency.

Funding/Administration: New funding is not available for this program. Previous allocations were the result of competitive application direct to HUD. The Redding Housing Authority which administers the program in Redding, currently has 55 rental subsidies reserved for this program.

Proposed Changes: No new subsidies will be available under this program. Applications will be submitted under the Family Self-Sufficiency Program and the Homeless Demonstration Program.

Objective: To assist a minimum of 55 very-low income households per year.

Time Frame: FY 92 - 97

5.11 Program Name: **Family Unification Program**

Program Description: The program which was enacted by Congress in 1990, will help prevent the unnecessary separation of children from their families because of homelessness and housing problems. The program will provide housing assistance through the Section 8 Program to families who meet regular eligibility criteria, and whose children are at risk of placement in out-of-home care or delayed in returning from care, because of homelessness or severe housing problems.

Funding/Administration: Funding is by competitive application direct to HUD. It is anticipated that program regulations and a NOFA will be published in mid 1992. The Redding Housing Authority will submit an application during FY 1993. The proposed program will be administered by the Redding Housing Authority in conjunction with the Shasta County Child Protective Agency.

Proposed Changes: None (New program)

Objective: To submit an application to HUD which, if funded, will provide approximately 25 very-low income families with rental assistance.

Time Frame: FY 93 - 97

Goal 6: Encourage Energy Conservation

6.1 Program Name: **Uniform Building Code, Title 24 Energy Conservation Compliance**

Program Description: Local code enforcement of required energy conservation features and appliance guidelines for construction of residential structures. Proposed projects are reviewed prior to construction for compliance to Title 24 regulations as well as monitored during the construction process.

Funding/Administration: Building permit fees extracted for each project cover a large portion of the cost related to operating the compliance program. Local administration is by the City Building Department.

Proposed Changes: None proposed.

Objective: Title 24 compliance of all new construction projects.

Time Frame: FY 92 - 97

6.2 Program Name: **Energy Conservation Programs**

Program Description: An assortment of programs designed to lessen the consumption of electricity by both homeowners and businesses. (See previous section on Energy Conservation) At this point, the programs are completely voluntary, however, as energy resources are stretched to their limits by increasing public demand due to population growth and irresponsible usage, it is likely that energy providers will begin to utilize punitive measures such as imposing much higher energy costs on excessive users to encourage participation.

Funding/Administration: City Electric Department funds and administers all of the current conservation programs.

Proposed Changes: None proposed.

Objective: To achieve a conservative level of energy usage by both private and public users of electricity based upon current and future energy supplies.

Time Frame: FY 92 - 97

6.3 Program Name: **Weatherization**

Program Description: Weatherization improvements are provided to eligible homeowners and landlords as part of the City's ongoing Homeowner, Mobilehome, and Rental Rehabilitation programs. Eligible repairs include weatherstripping, insulation, installation of storm doors, installation of dual-pane windows, and caulking. Weatherization repairs have been made to the over 1,000 units which have participated in City sponsored rehabilitation programs since 1977. These types of repairs will continue to be encouraged and in some cases required on all City programs.

Funding/Administration: Funding is from a variety of Federal, State, and local sources including CDBG, State Deferred Loan Program, HUD Rental Rehabilitation Grants, and Redevelopment funds. All programs are administered by the Housing Division of the City Planning and Community Development Department.

Proposed Changes: None proposed.

Objective: As part of the regular rehabilitation loan programs, 392 units will be assisted, including weatherization measures if necessary.

Time Frame: FY 92 - 97

IX. APPENDIX



SCALE: 1" = 1.5 MI.

NORTHWEST QUADRANT

NORTHEAST QUADRANT

SOUTHWEST QUADRANT

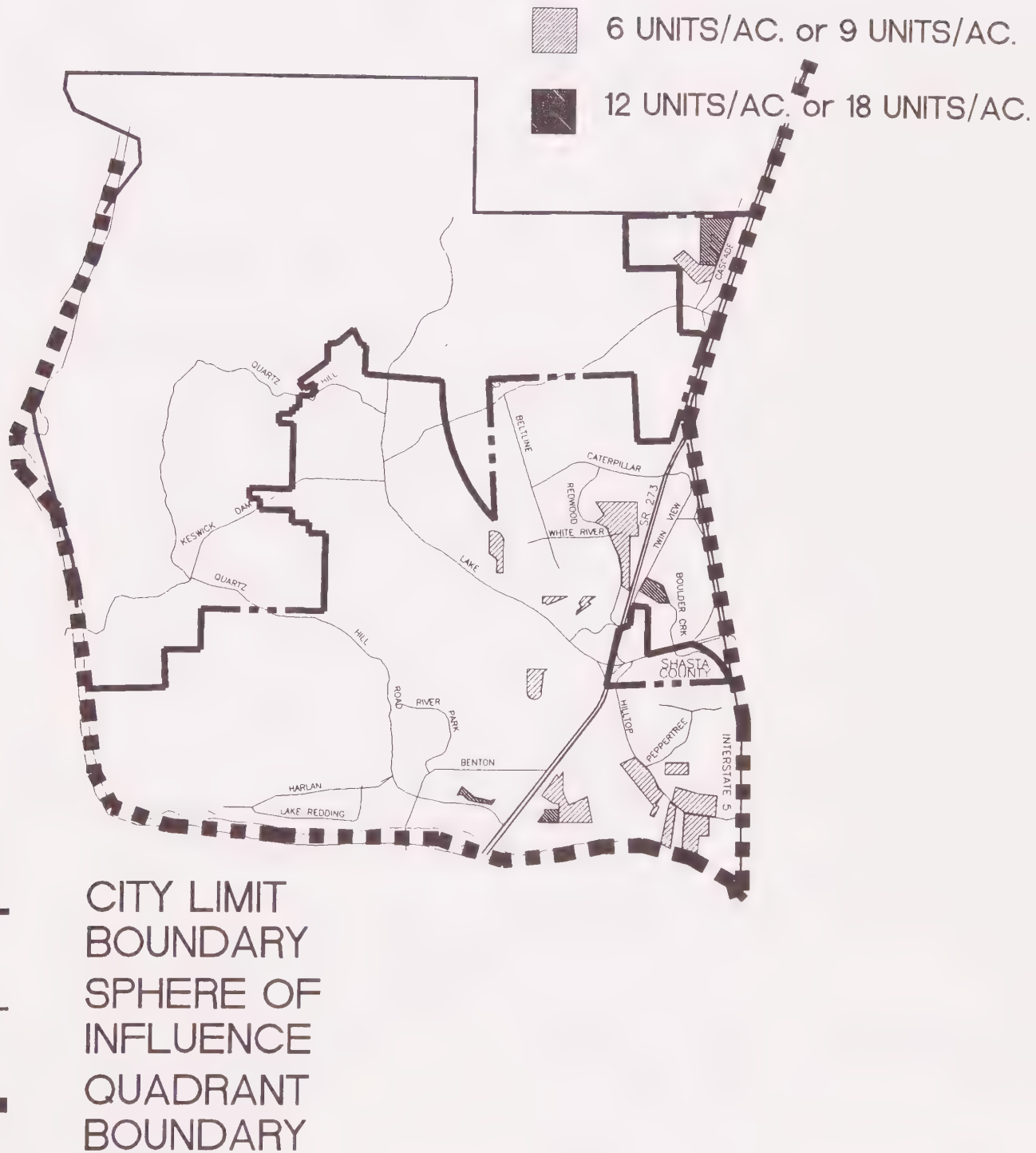
SOUTHEAST QUADRANT

CITY LIMIT
BOUNDARY
SPHERE OF
INFLUENCE
BOUNDARY
QUADRANT
BOUNDARY

LOCATION MAP



NOT TO SCALE



NORTHWEST QUADRANT





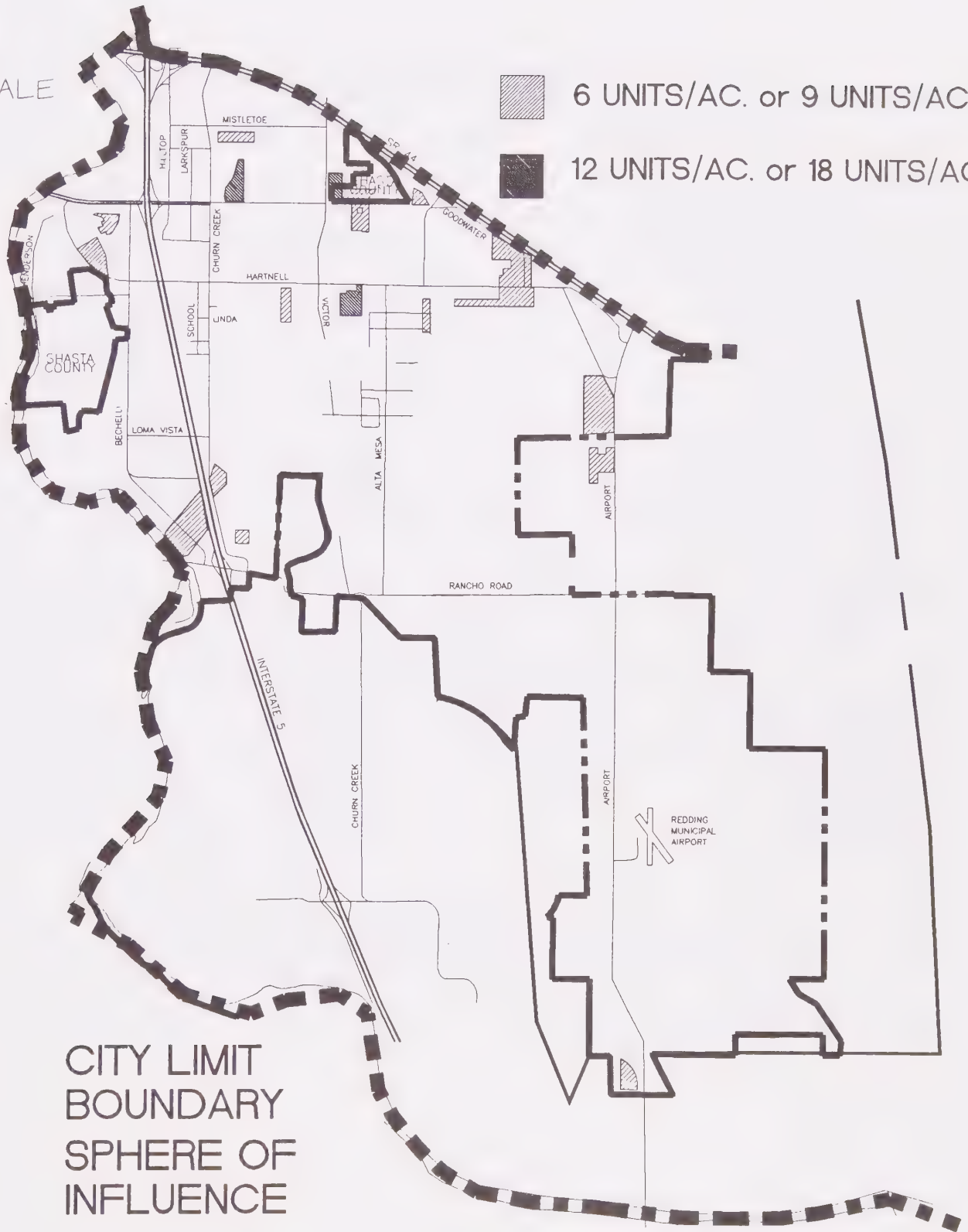
NOT TO SCALE



6 UNITS/AC. or 9 UNITS/AC.



12 UNITS/AC. or 18 UNITS/AC.



CITY LIMIT
BOUNDARY
SPHERE OF
INFLUENCE
QUADRANT
BOUNDARY

SOUTHEAST QUADRANT

TABLE A1

INVENTORY OF ALL LAND CLASSIFICATIONS WITHIN SPHERE OF INFLUENCE		
Classification	Gross Acres	Undeveloped Acres
Industrial		
General Industrial		1,110 Acres
Light Industrial		130 Acres
Planned Industrial		<u>900 Acres</u>
Total:	4,353 Acres	2,140 Acres (49%)
Commercial		
Service Commercial	1,295 Acres	300 Acres (23%)
Retail Commercial	1,407 Acres	430 Acres (31%)
Highway Commercial	<u>245 Acres</u>	<u>100 Acres</u> (41%)
Total:	2,947 Acres	830 Acres (28%)
Office		
Office	325 Acres	205 Acres (63%)
Office/Residential	<u>142 Acres</u>	<u>50 Acres</u> (35%)
Total:	467 Acres	255 Acres (54.6%)
Airport Service	1,127 Acres	Undetermined
Public or Institutional	2,532 Acres	741.6 Acres (29%)
Parks and Golf	1,463 Acres	1,202.8 Acres (82%)
Agriculture	1,516 Acres	740.5 Acres (49%)
Residential	32,531 Acres	17,302 Acres (53%)
Greenway	16,544 Acres	16,544 Acres (100%)
Urban Reserve	0 Acres	0 Acres
TOTAL:	63,490 Acres	39,756 Acres (62.6%)
Source: Redding Department of Planning & Community Development, Land Use Survey July 1991.		

TABLE A2

INVENTORY OF VACANT RESIDENTIAL LAND WITHIN CITY LIMITS - JULY 1991				
Classification	Undeveloped Acres	Potential Units	Population Factor	Potential Population
Residential 0.1 units/acre	0	0	3	0
Residential 0.2 units/acre	730.7	146	3	438
Residential 0.5 units/acre	113.3	57	3	171
Residential 1.0 units/acre	309.7	310	3	930
Residential 2.0 units/acre	2,857.3	5715	3	17,145
Residential 3.0 units/acre	2,560.4	7681	3	23,043
Residential 3.5 units/acre	977.2	3420	3	10,260
Residential 4.0 units/acre	361.1	1444	3	4,332
Residential 6.0 units/acre	241.8	1451	2	2,902
Residential 9.0 units/acre	647.2	5825	2	11,650
Residential 12.0 units/acre	211.3	2536	1.75	4,438
Residential 18.0 units/acre	40	720	1.75	1,260
TOTAL:	9,050	29,305		76,569
Source: Redding Department of Planning & Community Development, Land Use Survey of July 1991.				

U.C. BERKELEY LIBRARIES



C124911687

